ADMINISTRATIVE CONSTRAINTS ON HALAL CERTIFICATION FOR MSMEs: A JURIDICAL STUDY OF THE HALAL PRODUCT GUARANTY LAW

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ABSTRACT

Indonesia, as a country with a Muslim majority, has mandated halal certification thru Law No. 33 of 2014 concerning Halal Product Assurance (Law on Halal Product Assurance). This research aims to analyze whether the norms in the law are consistent with the principles of Islamic business law and to examine the obstacles to its implementation for Micro, Small, and Medium Enterprises (MSMEs). This research uses a normative legal method with a conceptual and statutory approach. Data collection techniques utilize literature studies analyzed using a qualitative descriptive method. The research results show that normatively, the JPH Law is in accordance with the principles of t*aysīr (*ease), *maslahah* (benefit), and *'adālah* (justice). However, in its implementation, various obstacles were found, such as complex bureaucracy, high certification costs, a limited number of halal auditors, and non-inclusive digitalization. The inconsistency between legal norms and practices creates a disproportionate burden for MSMEs and weakens their access to the halal market. Therefore, reforms in the implementation aspect are more needed than changes in the substance of the law. Simplifying procedures, providing technical assistance, and strengthening institutional capacity are important steps to ensure the effectiveness of a fair, efficient, and Sharia-compliant halal certification system.

Keywords: Administrative Constraints, Halal Certification, MSMEs, Halal Products.

BACKGROUND

The implementation of Law No. 33 of 2014 concerning Halal Product Guarantee (JPH Law) has brought major changes to the halal certification system in Indonesia. This law stipulates that all products entering, circulating, and traded in Indonesia must have a halal certificate. This provision applies to all business actors, including micro, small, and medium enterprises (MSMEs), as part of efforts to protect Muslim consumers, who constitute the majority of Indonesia's population (Putro et al., 2024; Supriyadi et al., 2024). The main objective is to provide legal certainty regarding the halal status of products and to increase public confidence in the products they consume (Novianti et al., 2022).

Halal certification is not only a legal requirement but also an instrument that serves to provide legal protection and certainty to consumers. This is confirmed by research showing that the inclusion of the Indonesian Ulema Council (MUI) halal label has a significant effect on consumer purchasing decisions, so that halal certification has normative value as a means of protecting the interests of Muslim consumers (Siregar & Alam, 2018).

However, in its implementation, the JPH Law faces various complex administrative obstacles. The certification process has become increasingly complex due to the transfer of authority from the Indonesian Ulema Council (MUI) to the Halal Product Guarantee Agency (BPJPH) (Mawardi & Ichsan, 2023). This change has created political and institutional challenges that require harmonization between agencies (Mawardi & Ichsan, 2023).

To understand the scale of this structural problem, a comparison with the halal certification model in Malaysia can provide an enlightening perspective. Malaysia is often considered a country with more established halal certification practices than Indonesia. The Malaysian Islamic Development Department (JAKIM) functions as the sole authority handling the entire halal certification process, from regulation and standardization to supervision. This institutional centralization model makes Malaysia's halal certification system simpler, faster, and internationally trusted (Abdul Halim et al., 2024). In fact, JAKIM halal certificates are widely recognized in global markets, including in the Middle East and Europe (Saima et al., 2024).

In contrast, Indonesia adopts an institutional fragmentation model involving BPJPH, MUI, and LPH. Normatively, this system is designed to create checks and balances, but in practice, it creates layers of bureaucracy that slow down the certification process (Mawardi & Ichsan, 2023). This condition has implications for the low level of MSME participation in obtaining halal certification, even though Indonesia has the largest Muslim population in the world and enormous halal market potential (Putro et al., 2024).

In terms of cost, Malaysia is also relatively more efficient. Research shows that halal certification costs in Malaysia for MSMEs are more affordable and even receive government subsidies (Abdul Halim et al., 2024). Meanwhile, in Indonesia, although there is a self-declare scheme for micro and small businesses, its implementation is still limited and often confusing for business actors due to a lack of socialization and technical guidance (Rohman & Sudiro, 2023).

This comparison shows that Malaysia's success is not only due to substantive regulations, but also due to institutional effectiveness and consistent policy support (Supriyadi et al., 2024). Indonesia can learn important lessons from Malaysia to simplify procedures, strengthen the capacity of BPJPH, and build international trust in national halal certificates. Thus, Indonesian MSMEs are not only protected in the domestic market, but can also compete in the global halal market.

In addition to cost and institutional issues, other administrative obstacles include a lack of knowledge and awareness among business actors, especially MSMEs, about the importance of halal certification and the procedures that must be followed (Hasan & Latif, 2024; Rahayu et al., 2023). Many of them do not understand the certification process, the required documents, and the long-term benefits of complying with halal regulations. The lack of socialization and assistance from the government or related institutions exacerbates this condition.

On the other hand, the transformation of the certification process to a digital-based one also poses its own challenges. This process requires business actors to have the ability to compile comprehensive documentation and implement a traceability system, which is not simple, especially for small businesses that are not familiar with digital administration systems (Novianti et al., 2022; Putro et al., 2024). This shows that digitization without accompanying training and technical guidance can actually become a new burden for MSMEs.

Normatively, the halal certification requirement in Law No. 33 of 2014 is expected to provide legal certainty regarding the halal status of products and increase consumer confidence. However, in practice, this provision also has the potential to increase administrative costs for business actors, especially MSMEs, thereby causing issues of accessibility and business sustainability (Hasan & Latif, 2024;

Maulidia et al., 2024), as well as strengthening the competitiveness of MSMEs in the market (Prawiro & Fathudin, 2023; Rahayu et al., 2023). Therefore, the identification and analysis of administrative obstacles in the halal certification process as regulated in Law No. 33 of 2014 is very important. Efforts to resolve these obstacles are necessary to create an inclusive and highly competitive halal market ecosystem in Indonesia (Effendi et al., 2024; Jubaedah et al., 2023).

Law No. 33 of 2014 concerning Halal Product Guarantee (JPH Law) is a regulation that marks an important change in the protection of Muslim consumers in Indonesia. Since the implementation of mandatory halal certification on October 17, 2019, this regulation has changed the system from voluntary to mandatory. However, there are still various challenges in its implementation, especially for micro, small, and medium enterprises (MSMEs) that face problems of cost, lack of information, and weak institutional infrastructure (Muhamad, 2020).

The urgency of halal certification in the perspective of Islamic economic law is not limited to the food industry, but also covers the tourism sector. The results of a systematic literature review state that halal certification is an important attribute that determines the validity of a tourism service in the perspective of Sharia (Alam, Ratnasari, Prasetyo, et al., 2024). Furthermore, a comparative study between Indonesia and Malaysia shows that Malaysia's success in implementing a centralized halal certification institutional model demonstrates the compatibility between legal norms and implementation effectiveness. Meanwhile, Indonesia still faces structural weaknesses that cause inefficiency in the implementation of halal certification obligations (Alam, Ratnasari, Ryandono, et al., 2024).

The transition from LPPOM MUI to BPJPH in the implementation of the JPH Law has not gone well. The lack of BPJPH structures in the regions and the lack of socialization have become obstacles to the dissemination of information and effective halal certification services (Putro et al., 2024). On the other hand, there is a conflict between the government and MUI, which indicates the need for legal policy alignment to build an efficient certification system (Mawardi & Ichsan, 2023). In addition, the low level of legal understanding among business actors, which is influenced by education and access to information, is also a social factor that hinders compliance (Sari & Sulistyowati, 2020).

At the international level, comparative legal studies show that the institutional model of halal certification in several countries, such as Malaysia, is considered more centralized (Supriyadi et al., 2024). In response to the complexity in Indonesia, the government introduced a simplification mechanism through Law Number 6 of 2023 (formerly the Job Creation Law), which amended some of the norms in the JPH Law (Rohman & Sudiro, 2023). One crucial change is the introduction of a *self-declaration* scheme for Micro and Small Enterprises (MSEs). However, normatively, this mechanism has given rise to a new discourse on how the state balances ease of doing business with the guarantee of genuine product halalness (Fathoni et al., 2025; Mawardi & Ichsan, 2023).

Juridically, administrative obstacles also stem from the fragmentation of institutional authority as regulated in the JPH Law. The division of roles between the Halal Product Guarantee Agency (BPJPH) as administrator, the Halal Inspection Agency (LPH) as auditor, and the Indonesian Ulema Council (MUI) as halal fatwa issuer creates a multi-stage bureaucratic chain. This structure, although normatively aimed at maintaining accountability through *checks and balances,* in practice has the potential to create disincentives for MSMEs due to the lengthy process and potential delays at each point of transfer of authority. Administrative law analysis highlights that the effectiveness of public services is highly dependent on the simplicity and certainty of the process flow (Mawardi & Ichsan, 2023; Putro et al., 2024).

The issue of costs, which is a major obstacle for MSMEs, also has an important legal-normative dimension. Government Regulation No. 39 of 2021, as the implementing regulation of the JPH Law, regulates the components and cost scheme of certification. This regulation also mandates cost facilitation for MSMEs. However, research shows that the norms regarding the application mechanism and criteria for obtaining such facilitation are often not well socialized, and the procedures are considered complex. There is a legal vacuum in the technical aspects of the rapid and targeted distribution of assistance, so that the norms that are intended to provide relief are actually difficult for MSMEs to access (Fathoni et al., 2025; Putro et al., 2024).

As a solution to physical and bureaucratic constraints, the government is promoting digitization through an integrated electronic system, namely SIHALAL (Halal Information System). From a public service law perspective, this digital transformation is an implementation of the *e-government* principle to create efficient and transparent services. However, the normative obligation to use this digital platform has given rise to a new form of constraint, namely *the digital* divide. For MSMEs in areas with limited internet access or whose operators have low digital literacy, this obligation has become a new administrative barrier that was not adequately anticipated in the legal framework (Novianti et al., 2022; Putro et al., 2024). Thus, norms intended to facilitate can instead become exclusive and non-inclusive for all layers of MSMEs (Fathoni et al., 2025).

RESEARCH METHOD

This research is normative legal research with a normative juridical approach, which is an approach that examines law as a written norm that formally applies in the legislative system. This analysis aims to evaluate the compatibility between the legal norms in Law No. 33 of 2014 and the administrative realities faced by MSMEs in the halal certification process. The focus of the analysis is directed at examining the legal provisions in Law No. 33 of 2014 concerning Halal Product Guarantee and its derivative regulations in order to understand the legal provisions governing the halal certification obligations for business actors. As a library research study, the research data was collected through a review of primary, secondary, and tertiary legal sources.

The data collection technique used was a documentation study of laws and regulations, legal journals, textbooks, and other scientific articles related to the research topic. Meanwhile, data analysis was carried out qualitatively using a descriptive-analytical pattern, namely analyzing the content of legal norms and their implementation practices in the field systematically, then drawing logical conclusions to answer the legal issues being studied.

DISCUSSION

Administrative Provisions on the Halal Certification Process for MSME Products;

The halal certification process in Indonesia begins with an application submitted by MSMEs to the Halal Product Guarantee Agency (BPJPH) (Mawardi & Ichsan, 2023; Putro et al., 2024). This application is an important first step, in which MSMEs must prepare supporting documents as administrative requirements. After the application is submitted, BPJPH will verify the completeness of the documents submitted by the MSME (Putro et al., 2024). This verification aims to ensure that all administrative requirements have been met before further examination is carried out.

The next stage is an inspection by the Halal Inspection Agency (LPH). At this stage, the LPH conducts a direct inspection of the production process, raw materials, and facilities used by MSMEs. The aim is to ensure that the entire production chain is in accordance with the principles of halal as stipulated in the halal product assurance system. After the inspection process is complete, the results will form the basis for the Indonesian Ulema Council (MUI) in issuing a halal fatwa. The MUI will assess whether the products inspected meet sharia requirements and are eligible to be declared halal (Rachman & Khokhar, 2023). After the halal fatwa is issued by the MUI, the BPJPH will then issue a halal certificate to the MSME (Putro et al., 2024; Rachman & Khokhar, 2023). The issuance of this certificate indicates that the product has gone through the entire verification process and has been declared in accordance with the halal standards applicable in Indonesia. This certificate is valid for four years and must be renewed before its validity period expires.

To apply for halal certification, MSMEs are required to prepare various important documents as prerequisites. The documents that must be submitted include business legality documents such as a Business Identification Number (NIB) and business license. In addition, business actors must submit detailed information about the product to be certified, including ingredient composition, production process, and raw material sources. Proof of compliance with the Halal Product Assurance System (SJPH) criteria is also an important requirement, which shows that MSMEs have implemented an internal monitoring system to maintain product halalness on an ongoing basis. Although not mandatory, documents on compliance with environmental standards are also recommended as part of the development of an environmentally-friendly halal industry or "green halal industry" (Hasanuddin et al., 2024).

There are three main institutions that play a role in the halal certification process in Indonesia. The first is BPJPH, which is under the Ministry of Religious Affairs. This institution is fully responsible for the administrative process, from registration and document verification to the issuance of halal certificates. The second is LPH, an independent institution tasked with conducting audits and field inspections of MSME production processes. The third is the MUI, which has the authority to issue halal fatwas based on the results of inspections by the LPH, as well as to accredit halal auditors who are tasked with conducting these inspections (Rachman & Khokhar, 2023). These three institutions work in an integrated manner to ensure the credibility and transparency of the halal certification process in Indonesia.

The halal certification process is regulated normatively through various regulations. Law Number 33 of 2014 concerning Halal Product Guarantee is the main legal basis that requires all products circulating in Indonesia to be halal certified. This law also establishes BPJPH as the central institution in the implementation of halal certification (Mawardi & Ichsan, 2023). Further provisions are regulated in Government Regulation Number 39 of 2021, which outlines the technical procedures for implementing halal product assurance (Hasanuddin et al., 2024). In addition, Law No. 11 of 2020 (Omnibus Law) also amended several provisions in Law No. 33 of 2014, particularly in the context of simplifying and accelerating the certification process, as well as providing convenience for MSMEs.
Halal certification is now mandatory for all products circulating in Indonesia, unlike the previous system which was voluntary (Putro et al., 2024; Supriyadi et al., 2024). This obligation reflects the government's commitment, including paying special attention to MSMEs as the dominant subjects in the halal industry, in providing legal certainty and consumer protection, especially for Muslims. In its implementation, there has been a shift in roles between the MUI and BPJPH. The MUI is now more focused on issuing halal fatwas and accrediting auditors, while administrative functions are fully carried out by BPJPH (Putro et al., 2024; Rachman & Khokhar, 2023). As a form of support for MSMEs, the government also provides a free halal certification mechanism through the MSME *self-declaration* system. This mechanism is expected to encourage more MSMEs to enter the national halal industry ecosystem.

Administrative Obstacles Faced by SME Business Actors in the Halal Certification Process
Administrative obstacles are one of the main barriers for MSMEs in implementing halal certification in accordance with Law Number 33 of 2014. The complexity of documents is often an initial challenge faced by MSMEs. In order to complete and prepare the documents required for halal certification, knowledge of law and administration is needed, which MSMEs often lack. Complicated procedures and a lack of support make many MSMEs feel overwhelmed, even reluctant to handle the certification process (Fathoni et al., 2025; Rahayu et al., 2023). Moreover, since the implementation of mandatory halal certification, the administrative burden has become heavier because the document requirements have become more detailed and formal (Putro et al., 2024; Supriyadi et al., 2024).
Digital transformation in the halal certification process, which should accelerate services, has instead presented new challenges. Many MSMEs lack digital skills or adequate access to information technology. Systems such as *Online Single Submission* (OSS) are still considered difficult for beginners to use, and not all MSMEs are able to adapt to these systems (Putro et al., 2024; Santoso & Rachman, 2023).

In addition to technological factors, human resource capacity is also a significant problem in the implementation of halal certification. The shortage of halal auditors and assistants for the Halal Product Process (PPH) has resulted in limitations in the technical support that should be provided to MSMEs.

In fact, higher education institutions that serve to produce halal professionals still face internal obstacles such as organizational dynamics and budget constraints (Alim et al., 2024). This inadequacy forces MSMEs to rely on their own knowledge or use consulting services, which actually adds to the cost.
Lengthy bureaucracy is also a concern in the halal certification process. Many MSMEs complain about the lengthy process, unclear procedures, and lack of coordination between the agencies involved. This reduces MSMEs' interest in certifying their products, especially for small businesses that rely heavily on the speed of product distribution (Fathoni et al., 2025). In this case, regulatory reform and process simplification are urgently needed so that certification can be carried out more effectively and inclusively (Fathoni et al., 2025).

Furthermore, there are several additional obstacles that burden MSMEs in the halal certification process. These obstacles include institutional fragmentation, the digital divide, limited technical assistance, a shortage of halal auditors, legal uncertainty, and limited international recognition. In addition to cost, bureaucracy, and lack of legal awareness, MSMEs also face structural problems stemming from institutional fragmentation in the halal certification system. The division of roles between the Halal Product Guarantee Agency (BPJPH) as the administrator of the Halal Product Guarantee System, the Halal Inspection Agency (LPH) as the auditor, and the Indonesian Ulema Council (MUI) as the issuer of halal fatwas often creates a long and inefficient bureaucratic chain. Although intended to maintain accountability, in practice this system causes delays, unclear procedures, and additional costs that increasingly burden MSMEs (Fathoni et al., 2025; Santoso & Rachman, 2023).
Another significant obstacle is the *digital divide* among MSME actors. The transformation to digital systems such as OSS and SIHALAL is indeed aimed at accelerating services, but not all business actors have adequate internet access or sufficient digital skills. MSMEs in rural areas, for example, often find it difficult to access online platforms or upload the required documents. As a result, digitization, which was supposed to be a solution, has instead become a new obstacle that widens the inequality between MSMEs in urban and rural areas (Rahayu et al., 2023; Santoso & Rachman, 2023).
Limited technical assistance is also a serious problem. Many MSME actors admit to being confused about preparing legal documents, filling out certification forms, or compiling Halal Product Guarantee System (SJPH) standards. The lack of official assistants forces them to use private consultants, which adds to their costs. This situation shows that the implementation of regulations is not balanced with the provision of adequate technical assistance for small businesses (Fathoni et al., 2025; Rahayu et al., 2023).

Additionally, the limited number of halal auditors slows down the inspection process and makes long queues unavoidable. With millions of MSMEs, the number of auditors is clearly disproportionately small. This creates *a bottleneck* in the certification process and slows down the issuance of halal certificates, forcing many MSMEs to wait longer to formally enter the halal industry ecosystem (Abdul Halim et al., 2024; Fathoni et al., 2025).

From a legal perspective, another issue that arises is *legal uncertainty*. Rapid regulatory changes—starting from Law No. 33 of 2014, Government Regulation No. 39 of 2021, to revisions through the Job Creation Law—have confused MSME players regarding the applicable regulations. The lack of dissemination of information regarding these changes has exacerbated the situation, leaving MSMEs uncertain about the steps they must take to comply with certification requirements (Fathoni et al., 2025; Santoso & Rachman, 2023). The rapid changes in regulations have also led to differences in interpretation between agencies, resulting in businesses often receiving inconsistent information. This undermines the principle of legal certainty, which should be guaranteed in the certification process. Harmonization of regulations and clear dissemination of information are important solutions to alleviate the confusion among MSMEs (Saputro & Rahmawati, 2025).

Finally, administrative barriers are also related to the position of Indonesian halal certification in the international context. Although domestic halal certificates are valid in Indonesia, not all countries recognize this system, especially in major export markets such as the Middle East and Europe. For export-oriented MSMEs, this poses a double challenge: not only do they have to go through complicated administrative processes domestically, but they also face additional requirements when adjusting to foreign halal standards (Al Malki et al., 2025; Saima et al., 2024). Recent research shows that Indonesian halal certification has not yet provided significant export benefits; despite its great potential, its contribution to the export market is still small and not comparable to countries such as Malaysia or the UAE. Halal diplomacy and global standard harmonization are essential to improve the competitiveness of Indonesian MSMEs in the international market (Aini & Gob, 2025).

Administrative issues in the implementation of the Halal Product Guarantee Law are also related to the cost of certification. Isnaini et al. (2025) emphasize that the norms regarding halal certification financing are not yet fully in line with the principles of fairness and legal certainty, because the cost facilitation mechanism for micro and small businesses is not mandatory, thereby reducing the effectiveness of these legal norms. In line with this, research by Rahmawati et al. (2025) on DSN-MUI fatwas in the halal tourism sector shows a disharmony between fatwas and legislation, which in practice creates legal uncertainty for business actors. This phenomenon parallels the problems in implementing the JPH Law, which also faces a mismatch between written legal norms and administrative realities in the field.

Legal Analysis from the Perspective of Sharia Business Law

From the perspective of Sharia business law, the principles *of taysir* (ease) and *maslahah* (benefit) are two important pillars that serve as references in the development of Islamic economic regulations and practices. The principle *of taysir* aims to provide convenience for MSMEs in conducting economic transactions, so that Islamic law does not become an obstacle to legitimate business. The application of this principle is evident in the *taysīr al-manhajī* method used by DSN-MUI in drafting Sharia economic fatwas, which is a moderate and adaptive approach to the contemporary needs of the business world without abandoning *maqāṣid al-sharīʻah* as a normative foundation (Fakhruddin & Hidayat, 2024). DSN-MUI fatwas are designed to be balanced so that they remain flexible but still within the framework of justice and sustainability of the Islamic economic system, especially on issues such as financing contracts, banking, and *e-commerce* (Fakhruddin & Hidayat, 2024).

The principle of maslahah in Sharia business law aims to create broad benefits and avoid losses, both individually and collectively. In the modern context, this principle forms the basis for the acceptance of contemporary business forms such as limited liability companies and innovative financial products that are not known in classical fiqh literature, with the proviso that priority is still given to the protection of the five dharuriyat: religion, life, reason, lineage, and property (Afdal et al., 2024). Furthermore, the DSN-MUI in its fatwas not only considers normative aspects, but also broader socio-economic impacts as a form of applying the value of maslahah (Fakhruddin & Hidayat, 2024). Therefore, the development of the Islamic economic legal system does not only focus on enforcing rules, but also on the goal of public interest.

The assessment of the principle of justice (*'adalah*) in administrative burdens on MSMEs is a major concern in the framework of *maqāṣid al-sharīʻah*. Excessive administrative burdens have the potential to hinder the participation of MSMEs in the Islamic economic system. The results of the study show that there are still many religious court judges who do not fully understand the theory of maslahah, so that legal considerations in Islamic economic cases tend to ignore the substantial objectives of justice and protection of the weak (Rokan, Mustapa Khamal, 2025). This situation highlights the need to reaffirm distributive justice in the sharia regulatory and jurisprudential systems so as not to marginalize micro-businesses.

In the context of general legal theory, the issue of halal certification for MSMEs can also be examined through the theory of legal certainty (*Rechtsicherheit*). According to Hans Kelsen, legal certainty can only be achieved if legal norms are constructed hierarchically and consistently within a closed system (Hans Kelsen, 2005). This view emphasizes that law must be understood autonomously, separate from politics and morality, so as to provide objective and clear guidelines for society (Hans Kelsen, 2005). This means that every implementing regulation of Law No. 33 of 2014 must be clearly and consistently formulated so that MSMEs have definite guidelines in fulfilling their administrative obligations.

However, in practice, there is often disharmony between regulations and overlapping institutional authorities, which actually reduces legal certainty for business actors.

On the other hand, Hans Kelsen's theory of legal effectiveness regarding the problem of halal certification for MSMEs focuses on the gap between the regulated norms (*Sollen*) and their implementation in the field (*Sein*). Kelsen argues that legal effectiveness is not only measured by the formal existence of norms, but also by the extent to which these norms are obeyed by the community. In the case of halal certification, the Halal Product Guarantee Law (JPH Law) and its derivative regulations are valid norms that require business actors, including MSMEs, to have halal certificates. However, these norms become ineffective if MSMEs are unable to comply with them in practice. This is due to various obstacles, such as complicated procedures, burdensome costs, and a lack of understanding of the requirements. As a result, many MSMEs have not registered, indicating that these legal norms have failed to achieve their objectives due to their inability to be internalized and practiced by the intended subjects of the law.

Furthermore, Kelsen's theory also links the effectiveness of law to the capacity of authorities to enforce sanctions (coercion). In the context of halal certification, BPJPH is the authority that has the power to ensure compliance. However, the effectiveness of the law declines when the authorities do not have adequate resources, such as trained auditors and an efficient bureaucratic system, to process certification applications quickly and affordably. Kelsen would see this condition as a systematic failure in which legal norms lose their coercive power. Even though sanctions are stipulated in the law, the authority's inability to facilitate the certification process practically renders these sanctions irrelevant. This means that the effectiveness of legal norms depends not only on their formulation but also on the institutional capacity responsible for ensuring that these norms function properly in social reality.

Apart from the perspective of pure legal theory, this implementation problem can also be sharply analyzed through the lens of state administrative law and the concept of good governance. In the context of halal certification, administrative law theory still has an important position in assessing the extent to which the state bureaucracy exercises its authority correctly. For example, the study “Principles of Governance in the Study of State Administrative Law” states that the principles of governance are normative and serve as guidelines for the administration of the state, including the principles of legal certainty, proportionality, accountability, and openness (Luturmas et al., 2024).

In the practice of halal certification, the existence of these principles should ensure that administrative procedures are clear, fast, and accessible to MSMEs. However, obstacles such as complicated procedures, lack of transparency in public services, and lack of accountability of officials indicate that legal norms are not always reflected in implementation capacity. The study “Analyzing the Concepts of Public Service and Good Governance from an Administrative Law Perspective” notes that slow bureaucracy and structural barriers often reduce the effectiveness of public services and public trust (Konsep et al., 2019).

The concept of good governance, which in many studies (for example, research in Subang Regency) is defined as fair, participatory, transparent, accountable, and responsive governance, is relevant as an analytical framework for examining the gap between halal certification regulations and practices in the field (Gani & Suparman, 2023). Ideally, BPJPH as a halal certification agency should formulate procedures that are simple, affordable, and provide adequate access to information. The absence of this is in line with the results of research that in many public service agencies, citizens report difficulties in understanding requirements, lack of socialization, and uncertainty of service times (Firdausijah & Priatna, 2020).

Thus, administrative law theory and the concept of good governance can be used as normative criticism tools to assess the inconsistency between positive legal provisions, such as Law No. 33 of 2014 concerning Halal Product Guarantee and its derivative regulations, and the administrative reality in the field. This normative study also emphasizes that the effectiveness of halal certification does not only depend on the content of regulations, but is greatly influenced by the quality of administrative implementation, such as transparency, accountability, and responsiveness to the needs of MSMEs.

As a solution, improving administrative procedures and strengthening institutional capacity are very important. Business process simulation models can be used in drafting regulations to anticipate potential administrative burdens from the outset (Mamrot, 2021). Meanwhile, reducing documentation requirements in assistance programs for MSMEs must be done fairly so that marginalized groups can participate (Bell et al., 2024). At the same time, the quality of sharia economic courts can be improved through training and enhancing the ability of judges to understand the principles of benefit in depth. Research shows that a good understanding of benefits not only helps judges in making fair and proportional decisions, but also strengthens the legitimacy of Islamic law in the context of the national legal system (Rokan, Mustapa Khamal, 2025). By integrating the principles of *taysir, maslahah,* and *'adalah,* Islamic business law is expected to be able to respond to contemporary challenges in a solution-oriented and equitable manner, especially in supporting the advancement of MSMEs in Indonesia.

CONCLUSION

Based on normative analysis, Law No. 33 of 2014 is substantively consistent with the principles of taysīr, maslahah, and 'adālah in sharia business law, as it provides legal certainty for halal certification and affirms the protection of Muslim consumers. However, its implementation has revealed various administrative obstacles that were not fully anticipated by the norms, such as lengthy bureaucracy, cost burdens, and institutional capacity limitations, especially for MSMEs. Therefore, it is necessary to strengthen socialization, simplify procedures, and provide fair technical facilitation so that the implementation of halal certification truly becomes an instrument for consumer protection, MSME empowerment, and the realization of maqāṣid al-sharī'ah in the Islamic business law system in Indonesia. It is hoped that in the future, MSMEs will find it easier and faster to obtain halal certification, which will open up wider market opportunities, both domestically and internationally, and increase consumer confidence. This efficient process will also reduce costs and resources previously absorbed by administrative complexities, allowing MSMEs to focus on product innovation and business expansion. In addition, facilitated halal standardization will encourage improvements in the quality of MSME products and business practices in accordance with sharia principles, which in turn will strengthen the competitiveness of MSMEs in the global market and drive national economic growth.

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