

# Strategy to Accelerate Halal Industry: Case of Indonesia

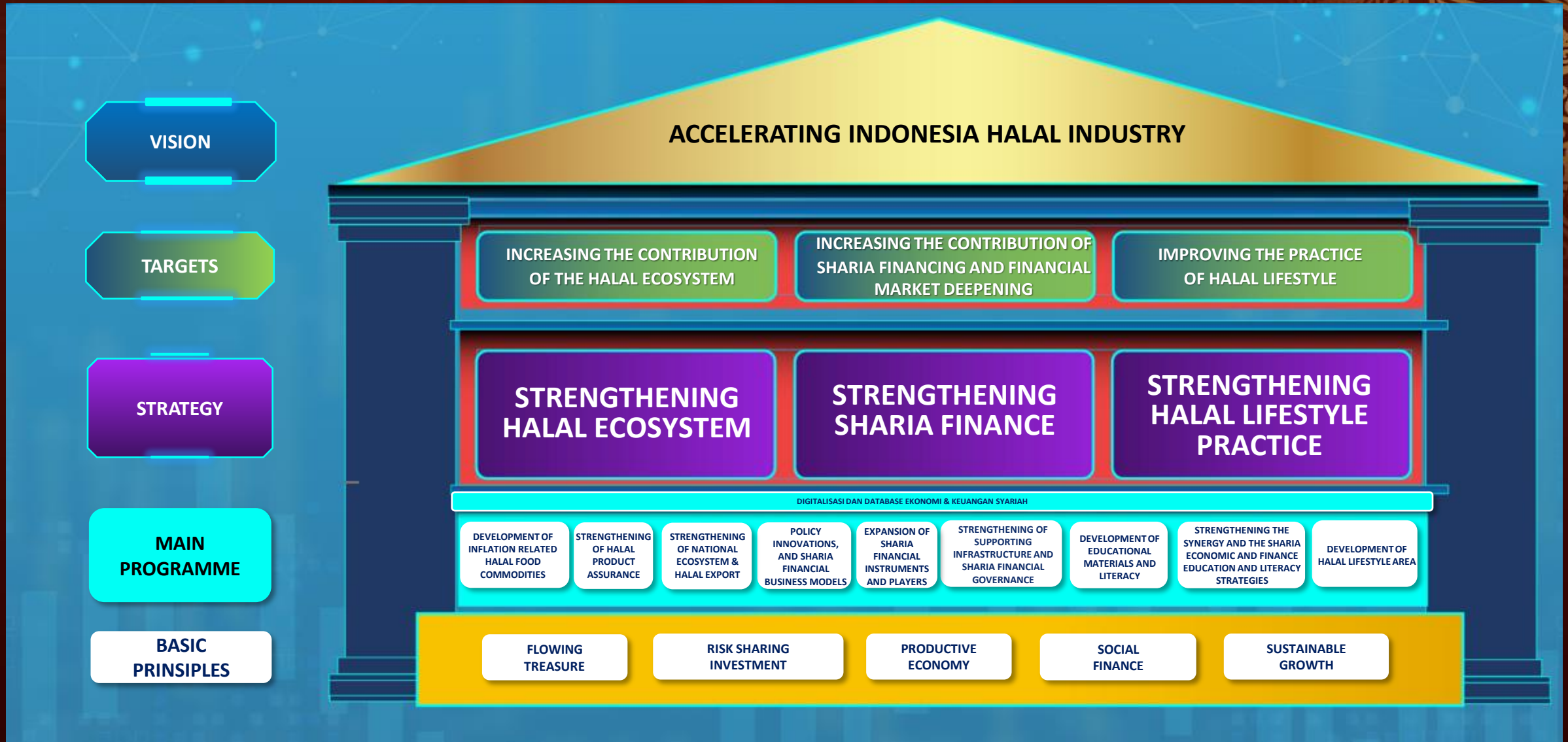
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**Perry Warjiyo**  
Governor of Bank Indonesia

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IsDB 48<sup>th</sup> Annual Meeting  
Jeddah, 13 May 2023

# NATIONAL FRAMEWORK OF ACCELERATING HALAL INDUSTRY



# STRENGTHENING HALAL ECOSYSTEM: HALAL ASSURANCE SYSTEM

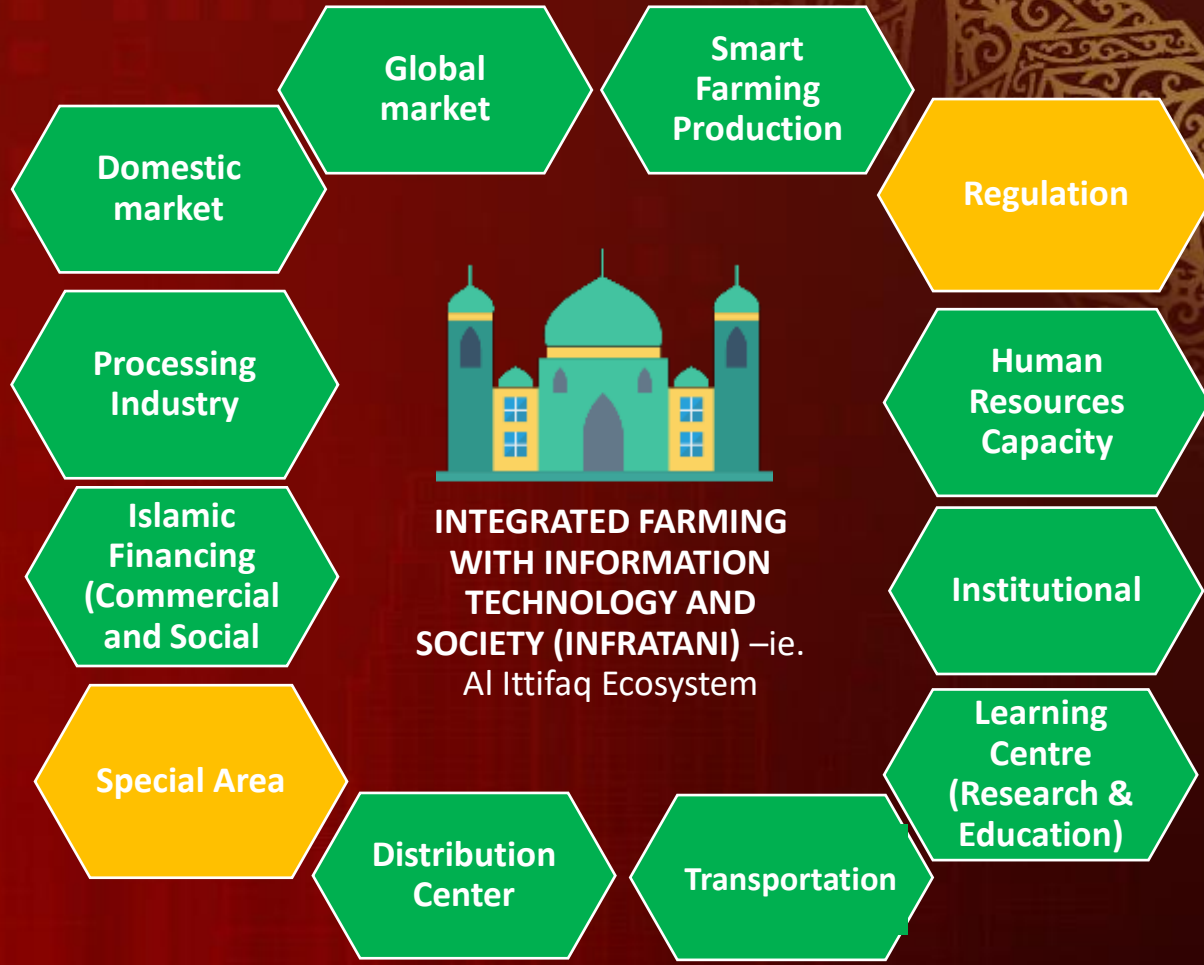
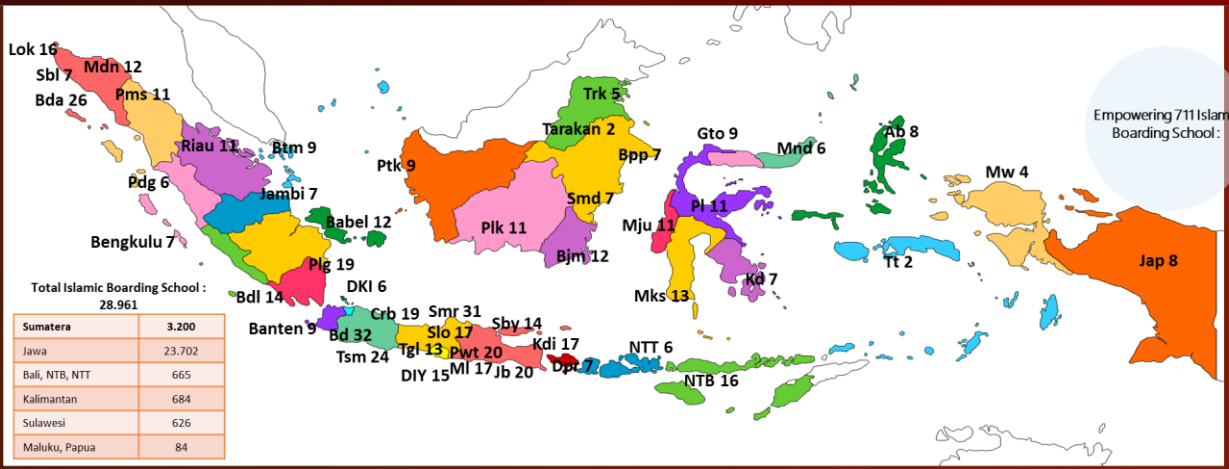
Optimizing halal certification encourages the development and exports of Indonesian halal products.


## HALAL CERTIFICATION FOR ALL HALAL PRODUCTS IN INDONESIA

<b>OBJECTIVE</b>	100% F&B Beverages get Halal certification On October 2024	100% of medicinal, cosmetic and consumer goods products are certified halal by October 2026	
<b>INDICATOR</b>	Number of halal certifications per year		
<b>MAIN STRATEGY</b>	<b>Strengthening the Supply of Halal Products in the Upstream</b>	<b>Strengthening the Halal Certification Process</b>	<b>Strengthening the Applicative Research and Halal Education</b>
<b>PROGRAM</b>	<ul style="list-style-type: none"> <li>Halal certification acceleration for Halal slaughterhouses.</li> <li>Domestic halal gelatin production acceleration*</li> <li><i>Provision of accessible and affordable halal raw material stores</i></li> </ul>	<ul style="list-style-type: none"> <li>Acceleration of increasing the number of qualified halal human resources</li> <li>Increase in the number of halal institutions with adequate infrastructure</li> <li><i>Increasing the reliability of the Halal information system</i></li> </ul>	<ul style="list-style-type: none"> <li>Increasing the number of halal raw material research</li> <li><i>Increased use of appropriate technology to support Halal Information system (a.l. halal traceability)</i></li> <li>Expansion of campaigns and halal literacy</li> </ul>
<b>SUPPORTING STRATEGY</b>	Sinergy and Coordination   Digitalization   Financing Support   Literation   Data and Information		


# STRENGTHENING HALAL ECOSYSTEM: ISLAMIC BOARDING SCHOOL ECONOMY

- Enhancing Islamic Boarding School (IBS) Capacity in sharia business activity: **711 IBS around Indonesia**
- Building halal value chain ecosystem (end to end) with focus in agriculture and food sectors : **4 Centre of Excellence (INFRATANI) consist of 99 IBS**
- Enhancing institutional IBS: **HEBITREN**
- Developing Supporting Infrastructure : access to finance (commercial and social), access to market, facilitating standardization (including halal certification)







**Development Business Model in IBS/ Pesantren**



**INFRATANI**  
Program Penguatan Sektor Pertanian Terintegrasi Berbasis Society dan IT



**HEBITREN**  
Holding Ekonomi dan Bisnis Pesantren



**JUARA EKSPOR**  
Program Jaringan Usaha Berorientasi Ekspor

# STRENGTHENING HALAL ECOSYSTEM: GLOBAL HALAL HUB

Global Halal Hub develops and expand the markets for Indonesian halal products globally.



## INDONESIA AS ONE OF MAIN PLAYERS IN WORLD HALAL INDUSTRY

OUTCOME

Improved Export Effectiveness  
between Ministries and Institutions

Increasing SMEs Contribution to Export Value  
through Main Halal Products Export

The Creation of Indonesian Global Exporters  
Through the Ease of Halal Product Export Process  
to Priority Export Destination Countries

OUTPUT INDICATORS

LEVERAGE FACTORS

INCUBATION AND EXPORT PRODUCTION  
OF HALAL PRODUCTS

FINANCING  
AND SHARIA  
EXPORT  
PAYMENTS

MRA AND  
TRADING  
AGREEMENT

MARKET ACCESS FOR  
HALAL PRODUCT EXPORT

INITIATIVE STRATEGIC ECOSYSTEM

ECOSYSTEM 2

ECOSYSTEM 3

ECOSYSTEM 4

ECOSYSTEM 5

ECOSYSTEM 6

ECOSYSTEM 1

ECOSYSTEM 7

ECOSYSTEM 8

PRODUCT  
CURATION

TRAINING &  
ACCOMPANIENT

BRANDING &  
PACKAGING

INVESTMENT &  
CAPITALIZATION

LEGALITY &  
CERTIFICATION

DATABASE  
UPDATING

LOCAL & GLOBAL  
MARKETING

LOGISTICS

MICRO, SMALL, MEDIUM AND LARGE BUSINESS (HALAL INDUSTRY)



Indonesia Halal  
Export Incorporated  
Working Group



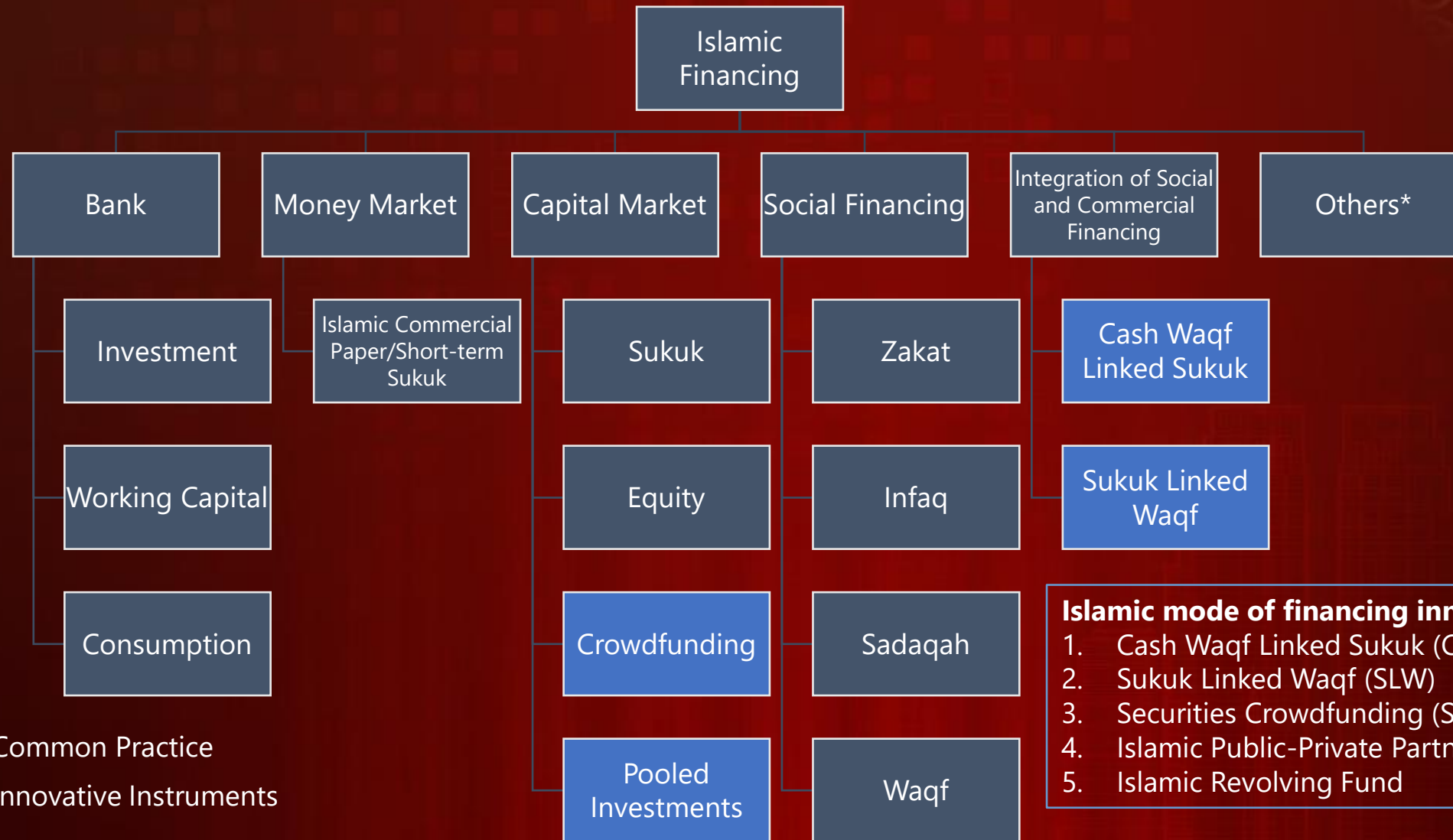
STAKEHOLDERS



SUPPORTING STRATEGIES

SINERGY - COLLABORATION - DIGITALIZATION

# STRENGTHENING SHARIA FINANCE: INNOVATIVE MODES OF FINANCING



Common Practice  
Innovative Instruments

- Islamic mode of financing innovation in Indonesia:**
1. Cash Waqf Linked Sukuk (CWLS)
  2. Sukuk Linked Waqf (SLW)
  3. Securities Crowdfunding (SCF)
  4. Islamic Public-Private Partnership (PPP)
  5. Islamic Revolving Fund

\*e.g. direct investment, revolving fund, etc.

# STRENGTHENING HALAL LIFESTYLE PRACTICE: INTERNATIONAL OUTLET



## INDONESIA SHARIA ECONOMIC FESTIVAL (ISEF)

- **Indonesia's biggest and most integrated** annual international sharia economic & finance event
- ISEF has been held **since 2014**
- Consist of **forum and conference, exhibition and showcase, workshop and talk-show, competition, business meeting and matching,**
- Partnering with several international Islamic economic organization i.e IsDB, IFSB, IIFM, IILM



**ISEF 2022  
OUTCOME**

**163  
AGENDAS**

**566.181  
PARTICIPANTS**

**USD 1.87 Billion  
BUSINESS  
TRANSACTION**

## INDONESIA INTERNATIONAL MODEST FASHION FESTIVAL

- IN2MOTION Fest is **Indonesia's main modest fashion outlet**
- ISEF has been held **since 2022**
- In 2023, IN2MOTION was held in Dubai, UAE and will be held in Paris France
- In collaboration with Ministry of Cooperatives and SMEs of The Republic of Indonesia



# KEY STRATEGIES TO ACCELERATE HALAL INDUSTRY



## 5 Strategies to Accelerate Halal Industry

**1** Optimizing **collaboration** among authority and industry, domestically and globally 

**2** Strengthening **halal industry ecosystem** by prioritizing the development of halal value chain, accelerated by **digitalization** and **halal assurance system** 

**3** Developing **export halal hub** supported by strong aggregators, stable sources of raw materials and markets 

**4** Encouraging **contribution of Islamic finance**, incl. Islamic social finance as affordable sources of financing to get competitive product prices 

**5** Strengthening **halal branding** and **awareness** 



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