



Halal Supply Chain on Food Products: Evidence From Wali Songo Islamic Boarding School, Ngabar Ponorogo

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Abstract

Introduction: This article describes halal supply chain management implementation at the Wali Songo Ngabar Islamic Boarding School. Halal supply chain management is essential to ensure the halalness of a product, including food products. **Research Methods:** This research was qualitative-field research. Data was obtained from the management of PT Ngabar Mandiri Sejahtera, boarding school caretakers, and consumers. The data were analyzed using the concept of halal supply chain management. **Results:** PT Ngabar Mandiri Sejahtera has carried out a halal supply chain management process. These processes are halal procurement, manufacturing, distribution, and logistics. **Conclusion:** PT Ngabar Mandiri Sejahtera has carried out the halal supply chain management process, although some processes still need to be maximized. Some programs to maximize the implementation of halal supply chain management are socialization and educating producers on the importance of halal certification and facilitating halal certification programs for producers.

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Page: 1-10

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INTRODUCTION

The concept of halal is essential in the Qur'an. Islam asserts that halal is not only limited to food ingredients but also includes the process of distribution, processing, packaging, and storage (Mahmudah et al., 2022). As stipulated in Islam, the concept of halal and tayyib includes nutrition, quality, hygiene, and safety for everyone and is not only aimed at the Muslim community. Halal means something allowed (mubah), free from the bonds of prohibition, and permitted by Allah to be done. The word halal means loose, open, or unbound. Something lawful means something detached from the bonds of worldly danger and ukhrawi. In legal language, the word halal means permissible. The word includes everything that Islam allows, whether it is sunnah, an exhortation to do, makruh (exhortation to be abandoned), or mubah (neutral/permissible) (Qardhawi, 2012). The definition of halal etymologically means permissible and doable, while the terminological understanding means everything that is allowed by Islam to do or do it. Some define halal as something that Sharia allows because it is good. As for haram, etymologically is something that is forbidden. In the terminological sense, haram means everything the Sharia orders to leave, and those who violate it will get legal sanctions. It can be concluded that halal contains the connotation of everything permissible according to Islamic teachings, while haram is the opposite, which is forbidden according to Islamic teachings (Baharuddin, 2010).

Halal supply chain management based on Islamic boarding schools is very strategic. Students in Islamic boarding schools are accustomed to implementing halal and Islamic lifestyles. Students carry out the priority selection of halal goods because they uphold the principles of Islamic teachings. Islamic boarding schools can give students the habituation to apply the concept of halal in various aspects of daily life, such as financial management and halal considerations in spending on goods and services needed, including food (Sariati & Mutafarida, 2019).

The halal value chain ecosystem is a new concept in the Islamic economic system. The halal value chain is an ecosystem of the halal supply chain that covers several upstream to downstream industrial sectors (Haleem et al., 2020). In addition, the halal value chain can be interpreted as a series of activities that produce added value in every process, which includes production, distribution, and marketing of goods or services to consumers, which meet aspects of compliance with the fundamental values and principles of sharia (M. I. Khan et al., 2018; S. Khan et al., 2019; Manurung et al., 2022). The linkage between Islamic boarding schools and economic empowerment in the halal value chain and halal supply chain is essential. The upstream concept means the provision of materials needed in the production process. In comparison, the downstream concept means the distribution of production results. The Islamic boarding school-based halal value chain ecosystem model is expected to accelerate the development of the Islamic economy and halal products in Indonesia and can boost economic independence from the bottom (Mumfarida & Dzirkulloh, 2021).

Law Number 18 of 2019 concerning pesantren is present as a solid and comprehensive legal foundation so that it can provide recognition for its distinctiveness. Pesantren has many functions in the life of the nation and state, including education, da'wah, and community

empowerment. Islamic boarding schools in Indonesia in 2022 will number 26,975 Islamic boarding schools consisting of 8,343 in West Java province, 4,579 Islamic boarding schools in Banten, 4,452 Islamic boarding schools in East Java, and 3,787 in Central Java. So Islamic boarding schools are pioneers and prominent supporters of the halal value chain ecosystem (Fawaid, 2022).

Islamic boarding schools, the oldest educational institutions in Indonesia, have a population that continues to increase along with the times. Along with the development of the era, pesantren diversified many programs in response to change. Among them, by running various socio-economic empowerment programs to support the independence of pesantren (Nadzir, 2015). Islamic boarding schools, as an integral part of society, are responsible for developing and empowering the community in various fields, including the halal economic sector. Responsibility is undoubtedly a challenge for pesantren that have been struggling in the field of religious sciences (Zaenurrosyid & Nuruddin, 2019).

Various advantages of pesantren confirm that the halal industry ecosystem in pesantren is very strategic for implementing halal supply chain management. Moreover, various fulfillment of the needs of the halal industry is currently fairly complex, making halal supply chain management very important. The halal supply chain management design in Islamic boarding schools and its implementation must be continuously developed with a complete and sustainable framework. This framework can ensure the resolution of issues related to system costs, maintenance, and optimization of other resources. In addition, applying best practices can be an essential parameter of the success system (Hassan et al., 2016; Suwanto & Gunawan, 2021).

The development of technology in Indonesia today is very helpful for entrepreneurs in meeting consumer demand. Entrepreneurs are required to create a product that can provide inner satisfaction and comfort to all consumers. Halal Supply Chain Management in this modern era has become a business that has influenced the marketing process and global industry. However, the halal industry in Indonesia until now cannot be ascertained to implement halal supply chain management according to standards. The halal label from the Indonesian Ulema Council (MUI) and most countries in Asia only touches on the product results. Many supply chains in various industries are still not in accordance with halal standards, and various potentials have not been managed optimally (Gunawan & Maryono, 2022).

Several studies examined the halal supply chain. Manurung (2022) analyzed the Halal Supply Chain Management of halal cosmetic products on the level of satisfaction of adolescents in Medan City. The results showed that halal supply chain management has a positive effect on the level of satisfaction of halal cosmetic products. When halal supply chain management increases, the level of satisfaction of adolescents also increases.

Haleem (2020) tried to conceptualize a framework for the relationship between halal supply chain management and sustainability. The results showed that halal supply chain management (HSCM) supports sustainability. Comprehensively, Haleem measures environmental performance, social performance, and economic performance. Animal

welfare, fair trade, and perceived benefits, better quality, healthy ethical practices support sustainable development.

Secara lebih spesifik, beberapa peneliti mengaitkan halal supply chain dengan pondok pesantren. Annisa (2019), Fadhilah and Syamsuri (2022), and Fawaid (2022) have researched halal value chains in Islamic boarding schools. Annisa (2019) researched Kopontren and the Halal Value Chain Ecosystem. The development of the economic potential of Islamic boarding schools can have a positive impact on the national economy. As an educational institution, Islamic boarding schools have great human resource potential as well as high fighting power. If this potential is accompanied by the ability to do business, then the potential becomes a great potential so that it can become the basis for a new flow of the Indonesian economy through the strengthening of Islamic boarding school cooperatives (Kopontren). This study used a descriptive qualitative method approach. Based on the results of the analysis, the role of Kopontren as the driving force of the Islamic boarding school economy has a significant effect as a determinant of how to turn on the halal value chain in every part of the environment in the Islamic boarding school ecosystem by applying halal values in production, distribution and consumption activities of its members in the form of goods or services.

While Fadhilah and Syamsuri (2022) studied depicting the halal value chain within the Gontor Alumni Pesantren Forum (FPAG). One strategy in developing the halal value chain ecosystem is to create synergies involving MSME units of Islamic boarding schools and making Islamic boarding schools an active party in building human resources for the halal industry in Indonesia. This can be realized through the economic empowerment of pesantren by developing a supportive ecosystem. However, there are various kinds of obstacles that hinder its development. Such as problems from the aspects of marketing, management, capabilities, and finance both in terms of quality and quantity, so that they affect their management and development. This research found that the problem of economic empowerment of pesantren is the lack of human resource skills. Meanwhile, the problem of the halal value chain stems from the problem of low literacy of halal development instruments.

Related to the halal value chain, Fawaid (2022) studied the Islamic boarding school and the halal value chain ecosystem. Pesantren as an Islamic Education Institution has an extraordinary role to make Indonesia a country with the largest halal industry in the world. Indonesia on the world stage is known as a country with a majority of Muslims, but according to the Global Economic Index, the halal industry is inferior to Malaysia. Islamic boarding schools can take part in the halal value chain ecosystem by developing the potential of Islamic boarding schools, such as using Islamic banking in their financial transactions, participating in presenting halal food products from integrated agriculture and animal husbandry, and developing religious tourism. Moreover, the East Java Government launched the One Pesantren One Product Program, so that pesantren have the means of coaching, monitoring, and evaluation to develop their independence for the better. This is in accordance with Ibn Khaldun's theory that a good country is a country with high productivity. The best Islamic boarding schools are those that have high productivity that can provide benefits for students and the surrounding community.

Suwanto dan Gunawan (2021) more specifically studied the halal supply chain in Islamic boarding schools. Halal supply chain management is certainly very strategically applied to the halal industry in the environment around Islamic boarding schools towards Madani Society 5.0. In general, the four principles of halal supply chain are halal procurement, halal manufacturing, halal distribution, and halal logistics. The Islamic boarding schools ecosystem in the implementation of halal supply chain management certainly requires government support, transportation planning, information technology management, human resource management, collaborative relationships, halal certification, and traceability of halal information.

The halal value chain is an ecosystem of halal supply chains that covers several industrial sectors from farm to fork. The halal value chain is a Sharia economic sector that plays a vital role in economic progress in Indonesia. Wali Songo Ngabar Islamic Boarding School, one of the Islamic boarding schools in Ponorogo, has an excellent opportunity to participate in the halal industry. Wali Songo Ngabar Islamic Boarding School has the potential to develop a halal value chain in the halal food distribution and sales sector. This article aims to describe the implementation of halal supply chain management on food products at the Wali Songo Ngabar Islamic Boarding School.

Halal Concept in Islam

Halal is defined as something that is *mubah* (allowed) that is free from the bonds of prohibition and is allowed by the Maker of Shari'a to be done. The word *halal* comes from the root word which means loose or unbound. Something *halal* means something detached from the bonds of worldly danger and *ukhrawi*. In legal language, the word *halal* means permissible. The word already includes everything that Islam allows, whether it is allowed to be *sunnah* (an exhortation to be done) or *makruh* (an exhortation to be abandoned), or *mubah* (neutral/okay) (Qardhawi, 2012). The definition of *halal* etymologically means permissible and doable. While the terminological understanding, *halal* means everything that is allowed by the *shara'* to do or do it. As for *haram* etymologically is something that is forbidden. In the terminological sense, *haram* means everything that is ordered by the *shara'* to leave and those who violate it will get legal sanctions. It can be concluded that *halal* contains the connotation of everything that is allowed according to Islamic teachings, while *haram* is the opposite, which is something that is prohibited according to Islamic teachings (Baharuddin, 2010).

The word *halalan* is often associated with the adjective *thayyiban*, where the word *thayyib* comes from the word *thaba* which means delicious, good, and good. The term *thayyib* can be interpreted as the feasibility of consumption, which is related to aspects of benefits, as well as nutritional standards. Islam recommends that its people always consume foods that do not have a delicious taste but must have good nutritional content for humans. Therefore, Islam always teaches its people to consume food not only *halal* but also *thayyib*. While *thayyib* can be interpreted as delicious, good, healthy, and calming. In the context of food, the word *thayyib* means food that is not dirty in terms of substance or damaged, expired, or mixed with

unclean objects (Munir, 2015). Halalan thayyiban food is something that Allah allows. The scholars have provided information, to continue to provide food that is halal again good, not mixed (even a little) that is haram (Waharjani, 2015).

Halal Supply Chain Management

According to Ngah and Zainuddin, activities in the halal supply chain are warehousing, sourcing, handling transportation and delivery of halal products, inventory management, and other business management strategies such as lean management and value-based management (Ngah & Zainuddin, 2012). In general, halal supply chain management consists of four main activities: halal procurement, halal manufacturing, halal distribution, and halal logistics. In addition, according to Omar, in halal supply chain activities in the halal supply chain process, they must always pay attention to halal and thoyyib (Omar et al., 2013; Rohaeni & Sutawijaya, 2020).

The foundation of halal supply chain management is based on direct contact with the haram as well as risks of contamination and perceptions of Muslim consumers (Najiatun & Maulayati, 2019). Direct contact with haram, better known as cross-contamination, makes halal products non-halal and therefore unfit for consumption by Muslims. To avoid cross-contamination, primary packaging is an effective control measure. The risk of contamination is the possibility of something halal becoming non-halal, thus raising doubts. One of the main functions of halal supply chain management is to ensure there is no doubt (risk of contamination) in halal products. Physical separation and communication of halal status is an effective control measure (Najiatun & Maulayati, 2019).

The purpose of halal supply chain management is to maximize the accumulation of value and also profits created by each component in the supply chain, namely added value created by suppliers to manufacturing, manufacturing to distributors, and distributors to consumers. This value is created from the value of the service and the price of a finished product with the total cost borne by the entire supply chain system. Supply Chain Management is a process of coordination and management from upstream to downstream that utilizes resources in the form of humans, machines, and funds (Sengkey et al., 2020).

Supply chain management is an integration of activities starting from the main/raw procurement process, then being used as the main material through the production process, and then into finished goods, and ending with sending finished goods/products to customers efficiently and effectively. Meanwhile, if the halal concept is applied to the supply chain, it will become the Halal Supply Chain. Every process of halal supply chain activities from the point of origin to the point of consumption, must be guaranteed the integrity of its halalness and must follow the perspective of Islamic Sharia (Zahra et al., 2019).

The halal food supply chain involves many processes of managing halal food products from various suppliers to various buyers/consumers. The process involves a variety of different parties from different locations. They are engaged in the management of halal food products to meet the needs and requirements of customers. The process is carried out to ensure halal integrity or ensure that the halal status of the food product remains intact throughout the supply chain process (Zahra et al., 2019).

In halal supply chain management, there are four main activities carried out, namely halal procurement, halal manufacturing, halal distribution, and halal logistics (Parwati et al., 2019; Tieman et al., 2012). As for the components of supply chain management, first, Upstream Supply Chain Management, which takes care of the relationship between the company and vendors or other parties in terms of goods transfer. The goods produced by the company do not directly reach the hands of consumers but are distributed to other distribution companies. For example, a company that produces smartphones. This smartphone product does not directly reach the hands of consumers, but the manufacturer will send the product to the supplier. Second, Internal Supply Chain management, namely halal supply chain management related to the entry of an item into the warehouse, is related to the internal chain, the most important thing is the management of production, manufacturing, and procurement of raw goods inventory (Zulkarnaen et al., 2020). Third, the Downstream supply chain, which includes all activities (downstream) where involvement in the delivery of goods to the last consumer, in this case, is directed to the distribution of services, warehousing, and transportation (Barliansah, 2019).

In the context of supply chains, the concept of halal for society that the value chain from raw materials to consumers must be guaranteed halal, which shows that the community needs information transparency that can ensure that the food and beverages consumed are not contaminated with something unclean. According to Tieman, in the halal evolution table, Indonesia has not reached the halal supply chain stage because the institution authorized to provide halal certificates, in this case BPJPH (Halal Product Guarantee Agency) only issues halal certificates on its products. Halal certification does not include stages such as product storage after production and distribution until the product reaches the hands of consumers. The concept of Halal Supply Chain Management emphasizes that Islam safeguards the rights that exist in every human being, in this case is the consumer. For this reason, it is necessary to improve regulations regarding halal supply chain in Indonesia, not only limited to certification at the production stage but also all stages of supply chain management so that guarantees for these rights can be maintained and also Rahamatan Lil 'Alamin (Mercy for all nature) (Kusrini et al., 2018; Tieman et al., 2012).

RESEARCH METHOD

This research was qualitative-field research. The data was the application of the halal supply chain of food products at the Wali Songo Islamic boarding school. The data source was obtained through interviews from the management of PT Ngabar Mandiri Sejahtera, the authority to manage products at the Wali Songo Islamic boarding school, and consumers, both students and the community. The data was analyzed using descriptive-critical analysis based on the halal supply chain management concept.

RESULT AND DISCUSSION

Halal Supply Chain on Food Products at Wali Songo Islamic Boarding School

Halal Supply Chain Management is now a new business concept gaining worldwide industry attention. In the concept of Tieman (2012), a halal supply chain means the activities of all parties in the supply chain, from upstream to downstream, under Islamic principles. This concept starts from selecting suppliers, manufacturing, storage, and distribution to the logistics process (separating storage and delivering halal products to avoid contamination). According to Ngah & Zainuddin (2012), Halal Supply Chain Management is a halal management activity in storage, procurement, transportation, handling, shipping, inventory management, and other corporate governance strategies such as lean and value-based management.

According to the Indonesian Ulama Council (MUI), halal products follow Islamic law; first, slaughtered animals must follow Islamic teachings. Second, the ingredients must not contain pigs or other prohibited animals. Third, the material is not from prohibited materials such as materials made from feces. Fourth, do not store products, sell and transport unclean goods unless sanctified by Islamic ordinances. Fifth, the ingredients should not be from khamr, either food or drink. Sixth, human organs, disgusting excrement, and so on. To obtain halal certification for all products, the supply chain from farm to processed food must be halal (Zainalabidin et al., 2019).

The halal supply chain is a must to implement halal value creation into logistics and supply chains that have been known lately. The halal food supply chain starts with finding the various raw materials allowed and preparing them as needed (Son et al., 2017). If related to the halal supply chain, business actors in Indonesia who trade food products must provide transparent and honest information about the composition—halal nature of food products traded to protect the rights of Muslim consumers from non-halal food products. However, many food products are circulating in the community that has not included the halal label or are still doubtful about the halal label. Food products that do not have a halal label are not necessarily haram. The product is still questionable because it can be halal or haram.

Halal supply chain refers to the process of managing the procurement, movement, storage, and handling of materials, spare parts, livestock and semi-finished inventory, food, and non-food, and related information, along with the flow of documentation through organizations that adhere to standard rules of sharia law principles (Bahrudin et al., 2011). In addition, the halal supply chain adopts conventional supply chains but with applicable Islamic legal requirements. Implementing Islamic law in supply chain management is essential for Sharia-based halal management processes in the sense that all must be halal (permitted) and *tayyib* along the chain (Omar et al., 2013).

To protect halal integrity throughout the supply chain or value chain, separation, and communication are needed to provide a higher level of assurance to Muslim consumers regarding protection for brand owners. This separation can be achieved by a physical separation system in transport, storage, and terminals (sea, air, and land), to ensure the flow of halal and non-halal goods is not combined with cargo carriers. Food for Muslim countries (destinations) is not mixed in transportation and storage (Tieman et al., 2012). A supply chain

is a network of parties that connects sources to consumer purchasing points. Horizontal supply chain structure refers to the number of levels throughout the supply chain.

Tieman developed the supply chain management theory into halal supply chain management by using a network of organizations that are connected and interdependent and work together to manage, control, and improve the flow of material and information and its principles in accordance with sharia. In general, halal supply chain management consists of four main activities: halal procurement, halal manufacturing, halal distribution, and halal logistics (Parwati et al., 2019; Rasi et al., 2017).

In general, the basic concept of the supply chain is the management of the flow of goods and services across a network of customers, companies, and suppliers. It comprises the movement of materials and products from the point of origin to the point of consumption (Ulya, 2016). Significant differences between conventional and halal supply chains, In terms of purpose, halal supply chains are aimed at maintaining the integrity of halal products, while conventional ones are only aimed at minimizing costs and at the same time maximizing profits (Parwati et al., 2019).

Halal supply chain management of food products in pesantren is essential because pesantren are responsible for educating and providing something halal to the community. Wali Songo Islamic boarding school in economic activities, including the provision of food products, formed PT Ngabar Mandiri Sejahtera to support economic strengthening in the pesantren. PT. Ngabar Mandiri Sejahtera carried out some programs, including developing human resource capabilities. They can provide added value in managing the economic assets of pesantren, integrating economic products of pesantren. They have an excellent bargaining value position in market networks, realizing competitive economies of scale against independently developed economic businesses.

PT Ngabar Mandiri Sejahtera supports halal products through halal supply chain management for food products. Four principles must be implemented in halal supply chain management for food products, namely halal procurement, halal manufacturing, halal distribution, and halal logistics. Companies must at least follow the basic principles set to achieve the halal supply chain. In particular, companies must comply with halal procedures in every operation involved in producing products.

Halal Procurement

The word *halalan* is often associated with the adjective *thayyiban*, where the word *tayyib* comes from the word *thaba*, which means delicious and good. *Tayyib* can be interpreted as the feasibility of consumption, which relates to benefits and nutritional standards. Islam encourages its people to consume food that does not have a delicious taste only but also has good nutritional content. Therefore, Islam always teaches its people to consume halal and *tayyib* food. At the same time, *tayyib* can be interpreted as delicious, good, healthy, and calming. In the context of food, the word *tayyib* means food that is not dirty in terms of substance, damage, expired or mixed with unclean objects (Munir, 2015).

Food can also be declared halal if at least meet three criteria, including halal substances, halal how to obtain it, and halal how to process. First, halal substances are foods

in composition and ingredients that have *halal* and suitable for consumption and are allowed according to the Qur'an and hadith. Halal foods include chicken, duck, lamb, vegetables, and fruits such as watermelon, oranges, and bananas. Second, halal how to obtain it. How to obtain food affects its halal. Although food is halal, it becomes haram if someone gets it by vanity and harms others. Buying, farming, and gifts are examples of halal food based on how to obtain it. As for food obtained from vanity by beheading and depriving becomes haram even though its ingredients are halal. Third, halal processing methods, namely food, becomes haram if the processing process is not under the teachings of Islam. For example, wine, actually the type of food is halal. But when it is processed and becomes an intoxicating drink, the food law becomes haram (Hervina, 2017).

Halal procurement is defined as halal purchasing, involving activities focused on protecting halal integrity along the supply chain. Identifying all inputs and resources is essential for any sourcing activity in the halal supply chain to ensure halal integrity. Given the complexity of the halal supply chain and the absence of traceability tools, supplier selection plays an essential function in the halal sourcing process (Rasi et al., 2017).

PT Ngabar Mandiri Sejahtera does not produce its food products. Food products in the Wali Songo Islamic boarding school are ready-made foods imported from suppliers. PT Ngabar Mandiri Sejahtera, in the procurement of halal products, prioritizes its integrity in the process of activities throughout the supply. However, many products are not guaranteed halal because they have yet to be labeled halal. Products are still limited to being believed to be halal because boarding school teachers or the surrounding community produce them. Ideally, PT Ngabar Mandiri Sejahtera observes and checks in as much detail as possible that the products made by the manufacturer are halal in the manufacturing process. However, food logistics managers select with details the products of large companies and ensure the presence of halal labels on these products (U. U. Sujana, personal communication, December 10, 2021).

In industrial companies engaged in the food sector, companies are required to have a commitment in providing halal products, especially those that will be sold to Muslim consumers. Therefore, to support a company policy engaged in the food industry, a system that can provide data that products that have been made guaranteed to be halal is a must. In making products, several processes include purchasing product materials in accordance with Islamic law, processing product raw materials, and distributing products in accordance with sharia.

PT Ngabar Mandiri Sejahtera only believes that food products from suppliers are guaranteed halal. Henceforth, PT Ngabar Mandiri Sejahtera should be more selective in checking and selecting distributors of food products that are guaranteed to be halal. In addition, PT Ngabar Mandiri Sejahtera can also assist small suppliers from the teachers and the surrounding community in taking care of halal certificates. The assistance becomes easier by cooperating with halal companions.

For the procurement of goods from outside manufacturers, PT Ngabar Mandiri Sejahtera prioritizes products labeled halal. However, if there is only a PIRT (Home Industry

Food Production) label and the product is urgently needed, then PT Ngabar Mandiri Sejahtera still accepts it. If the product is made by the community around the Ngabar Islamic boarding school, PT Ngabar Mandiri Sejahtera only sees and feels the product and has not led to a field review to the manufacturer.

Halal Manufacturing

Manufacturing is a very important production sector in the Industrial Era because it not only meets human needs but also becomes an important factor in increasing the country's economic growth. Globalization has sparked a revolution in technological development. Technology can provide significant added value to meet market demand. With technology, the time and costs required to produce commodities can be cut and minimized. The dynamism of the manufacturing sector has given rise to a lot of research and development in Manufacturing Business, Manufacturing Engineering and Technology, Manufacturing Tools, Manufacturing Processes, Manufacturing Strategies, Manufacturing Management, and more (Mohamed et al., 2016).

According to Misri, Islamic manufacturing is a discipline that investigates human activities based on syariah in terms of gathering, using, and managing resources for the benefit of mankind and obtaining blessing from Allah SWT. On the other hand, Khan defines Islamic manufacturing as an attempt to collectively manage resources. Kahf adds that the outcome of the manufacturing sector is the result of human's attempt to improve their status and morality for success in this world and the hereafter (Mohamed et al., 2016).

Halal manufacturing is the process of transforming halal materials or inputs by using halal procedures on halal outputs. Halal manufacturing can lead to higher halal integrity and reduce the risk of cross-contamination. Halal manufacturing consists of senior management commitment, a halal certification management system, and Sharia-compliant funding. The commitment to halal manufacturing from senior management is very important. Senior management determines the direction of the organization (Rohaeni & Sutawijaya, 2020).

The implementation of the halal product assurance system must be accompanied by a high commitment from managers to its implementation and regulation. The goal is that the supply chain process can run well to guarantee halal food products. The commitment of top management at PT Ngabar Mandiri Sejahtera to the halal certification program still needs to be consistent in fulfilling halal products. PT Ngabar Mandiri Sejahtera is currently still in the program development stage. The old regulations that have been running make it difficult for PT Ngabar Mandiri Sejahtera to change them. There needs to be gradual implementation to achieve the program.

PT Ngabar Mandiri Sejahtera has been able to create products ranging from raw materials into finished materials which can then be sold to consumers. But there are still not many products. As for products from large company manufacturers, on average these products already have halal certificates in their products. As for products from MSMEs, until now there are still few that have halal-certified products. Even so, they already have intentions in the halal certification program. The halal certification program is very important and must be implemented by every producer who will market their products. Halal

certificates will provide a sense of comfort, safety, certainty, and security for consumers in consuming them.

Many Wali Songo Islamic Boarding School food products have yet to be certified halal. Some external producers want to avoid joining the halal certification program. These external producers are mainly suppliers from the teachers and the surrounding community. Even the halal certificate is essential to ensure the integrity of halal food products in the Islamic boarding school.

The halal food category is currently dominated by multinational companies, such as KFC, Mc Donals, Pizza Hut etc. The company is able to sell products to various corners of the country. Global companies always strive so that their products can be enjoyed by all circles, including Muslim consumers. One of these efforts is the inclusion of halal logos on product packaging. They ensure that the product is halal, both in terms of raw material composition, manufacturing process, and distribution. The packaging of food products labeled halal at PT Ngabar Mandiri Sejahtera is good. Some products already include halal logos on the maturity of the product.

Halal Distribution

Halal food products must be protected from non-halal products or substances until they arrive at their final destination. There is a potential that halal products can be cross-contaminated during filling and shipping due to contaminated transportation or containers. Potential cross-contamination can occur when halal products come into physical contact with non-halal materials during previous shipments with the same transportation. The process results in halal products becoming haram or not halal (Rasi et al., 2017). Similarly, containers that carry halal products and come into contact with previous non-halal elements in containers or vehicles transporting these goods make halal food non-halal.

In the implementation of the supply chain, halal products must be protected from non-halal products or substances until they arrive at their final destination. Halal products can potentially be cross-contaminated during filling and shipping due to contaminated transportation or containers. Potential cross-contamination may or may occur when halal products come into physical contact with non-halal materials on previous shipments by the same transport. The process results in halal products becoming haram or not halal. Similarly, the use of containers carrying halal products but contaminated by previous non-halal elements in containers or vehicles transporting these goods.

Critical issues related to halal distribution focus on governance practices which include food transportation and distribution security, regulation of storage and warehousing of perishable goods, as well as material handling and operational processing. To meet these halal operational requirements, each aspect must ensure the physical separation of non-haram products, even if the products are in different containers or shelves in rooms or warehouses.

PT Ngabar Mandiri Sejahtera has tried its best to implement halal containers. But on the other hand, PT Ngabar Mandiri Sejahtera still needs to trace the supply chain of food products from the manufacturing process to distribution. However, PT Ngabar Mandiri Sejahtera believes the products made are halal and guaranteed in the distribution process.

PT Ngabar Mandiri Sejahtera, in the halal supply chain, still needs to carry out a comprehensive identification of distributing food products to ensure halal integrity.

Halal Logistics

Logistics is the key to production success by integrating various elements, such as manufacturers, retailers, and customers. The halal logistics process is all activities related to halal logistics, starting from packaging, shipping, and storing food products. The halal logistics has a scope including organizing protection, identifying products and materials before they reach consumers. In considering halal status not only for the product, but the distribution and marketing process must also be considered in the supply chain process of halal products.

Halal products have become an important need for consumers in Indonesia who are predominantly converted to Islam. As the most populous Muslim country in the world, the need for halal products in Indonesia certainly has a very large economic value, so the halal label is almost always present in every food product that will be distributed to all corners of the region. Halal assurance is not only considered from the process of procurement of raw materials and production processes, but also during the process of logistics distribution of goods from producers to consumers (Wahyudi, 2022).

PT Ngabar Mandiri Sejahtera, in achieving halal standardization, has tried its best in its implementation. The process starts with separating products, services, administration, and goods delivery to consumers. The warehouse/wholesale department checks before distributing to producers in the food product receipt system. This step starts with checking whether the product can sell well to the business unit. The next step is to check the ingredients and labels to see if the product is needed. After all, products are tested, the wholesale department confirms to the manager the receipt of the product. PT Ngabar Mandiri Sejahtera has implemented halal logistics as much as possible, starting from the product separation, storage process, and product delivery to consumers.

The halal supply chain management implementation for food products at PT Ngabar Mandiri Sejahtera has been going well, although some parts need to be by the concept of halal supply chain management. The implementation of halal supply management at the Wali Songo Ngabar Islamic Boarding School has yet to be entirely by the ideal concept. Food products are categorized as halal by the boarding school community based on faith alone and not based on the results of halal-certified food tests. It is important to identify and explore factors that are important to establish a halal supply chain model. Furthermore, based on the results of exploration, the halal supply chain model (from the Muslim perspective of suppliers, manufacturers, warehouses, and retailers) is suggested as it is also an obligation for a Muslim to obtain the status of "halalan toyyiban" (halal with high quality).

CONCLUSION

Islamic boarding schools become an integral part of society. Pesantren empowers and develops the community, especially in the halal economic sector. PT Ngabar Mandiri Sejahtera is an institution under the Wali Songo Ngabar Islamic boarding school that regulates and oversees business units in the procurement of products in the pesantren, including food

products. The implementation of food product supply chain management at PT Ngabar Mandiri Sejahtera has been established. But some parts still need to be maximized. Some aspects that need to be maximized to be in accordance with the concept of halal supply chain management are 1) halal procurement has not fully come from suppliers who can supply with halal and have halal labels; 2) halal manufacturing which is still lacking in certification for all producers; 3) halal distribution that has not guaranteed halal every process and separates non-halal products at the time of distribution; and 4) halal logistics which still need to add infrastructure facilities in every logistics activity.

Based on these conclusions, the implementation of halal supply chain management of halal food products at PT Ngabar Mandiri Sejahtera still needs improvement to be in accordance with the concept of halal supply chain management. Some programs that can be implemented are socialization, educating producers on the importance of halal certification, and facilitating halal certification programs for producers.

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Oky Iskandar, Luhur Prasetyo, Umar Abdulloh

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