

Voluntary Report – Voluntary - Public Distribution

Date: November 06, 2024

Report Number: ID2024-0031

Report Name: Indonesia Grants Two-Year Extension for Mandatory Halal Certification for Food and Beverage Products with Caveats

Country: Indonesia

Post: Jakarta

Report Category: Special Certification - Organic/Kosher/Halal

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Report Highlights:

On October 18, 2024, the Government of Indonesia issued Government Regulation No. 42/2024, which granted an extension until, “no later than October 17, 2026” for imported food and beverage products to come into compliance with Indonesia’s mandatory halal certification requirements. The specific length of extension which will be afforded to U.S. food and beverage products is not yet known. However, today’s action allows U.S. food and beverages (except meat and meat products) to continue to be sold in Indonesia without halal certification. FAS Jakarta will seek to clarify multiple aspects of the new regulation and provide updates accordingly.

Background

In 2014, the Government of Indonesia published the Halal Assurance Law (No. 33/2014), which states that food and beverages sold in Indonesia must be certified halal by October 17, 2024. Only products forbidden to Muslims, also known as haram (e.g., pork and alcoholic beverages), and minimally processed products on what is known as the “halal positive list” (e.g., fresh produce, conventional soybeans, and seafood) are exempt from this mandatory halal certification requirement.

The U.S. government and other like-minded partners have for months escalated requests for a two-year extension to allow additional products to become halal certified. These requests are based on the as-yet incomplete implementing regulations, the very recent accreditation of the five U.S. halal certification bodies, and Indonesia becoming the first country to require halal certification for non-meat products. There are also remaining issues with the Indonesian halal authority (BPJPH)’s SIHALAL system, within which all halal certificates must be registered.

Higher-end supermarkets recently estimated that up to 25 percent of the products on their shelves are not yet in compliance with Indonesia’s halal certification and labeling requirements. This could have caused a disruption in food availability and lost sales if today’s extension had not been granted. There were also news reports that inspections of retail outlets to ensure compliance had been set to start on October 18, 2024, since the requested extension had not yet been granted.

Two-Year Halal Certification Extension, with Caveats

However, a long-anticipated extension was granted today through [Government Regulation No. 42/2024](#), which allows importers and retailers up to two years to ensure their entire inventory comes into compliance. This extension averted a potential disruption in food availability and lost sales for the retail, food processing, and food service sector. It also brought much relief to local sectors dependent on reliable food and beverage imports.

However, the extension language itself is heavily caveated and lacks clarity. Below is an unofficial translation of Article 160 of GR No. 42/2024. It sets different mandatory halal certification implementation windows for food and beverage products depending on the producer categories, i.e., “medium and large businesses,” “micro and small businesses,” and “originating from abroad.” For imported products, the regulation allows the Minister of Religious Affairs to determine the specific length of extension up to the 2-year maximum noted below.

Article 160:

1. “For medium and large businesses, the phasing of mandatory halal certification for food products, beverages, slaughtered products, and slaughtering services begins from October 17, 2019, to October 17, 2024.
2. For micro and small businesses, the phasing of mandatory halal certification for food products, beverages, slaughtered products and slaughtering services begins from October 17, 2019, to October 17, 2026.

3. Mandatory halal certification for food products, beverages, slaughtered products, and slaughtering services originating from abroad shall be determined by the Minister no later than October 17, 2026, after considering the completion of mutual recognition cooperation of Halal Certificates.
4. Determination of mandatory halal certification as referred to in paragraph (3) shall be carried out after coordinating with the relevant ministries/institutions.”

After the inauguration of President Prabowo on October 20, 2024, FAS Jakarta will follow up with the Government of Indonesia to seek clarity on the implications Article 160, Point 3 have on U.S. food and beverage products exported to Indonesia. In the meantime, it is FAS Jakarta’s understanding that U.S. agricultural exports to Indonesia can resume uninterrupted and the only products currently subject to mandatory halal certification are the long-standing requirements for meat, meat products, and dairy products. Please note the previous sentence was modified to clarify the products currently subject to mandatory halal certification.

Attachments:

No Attachments.