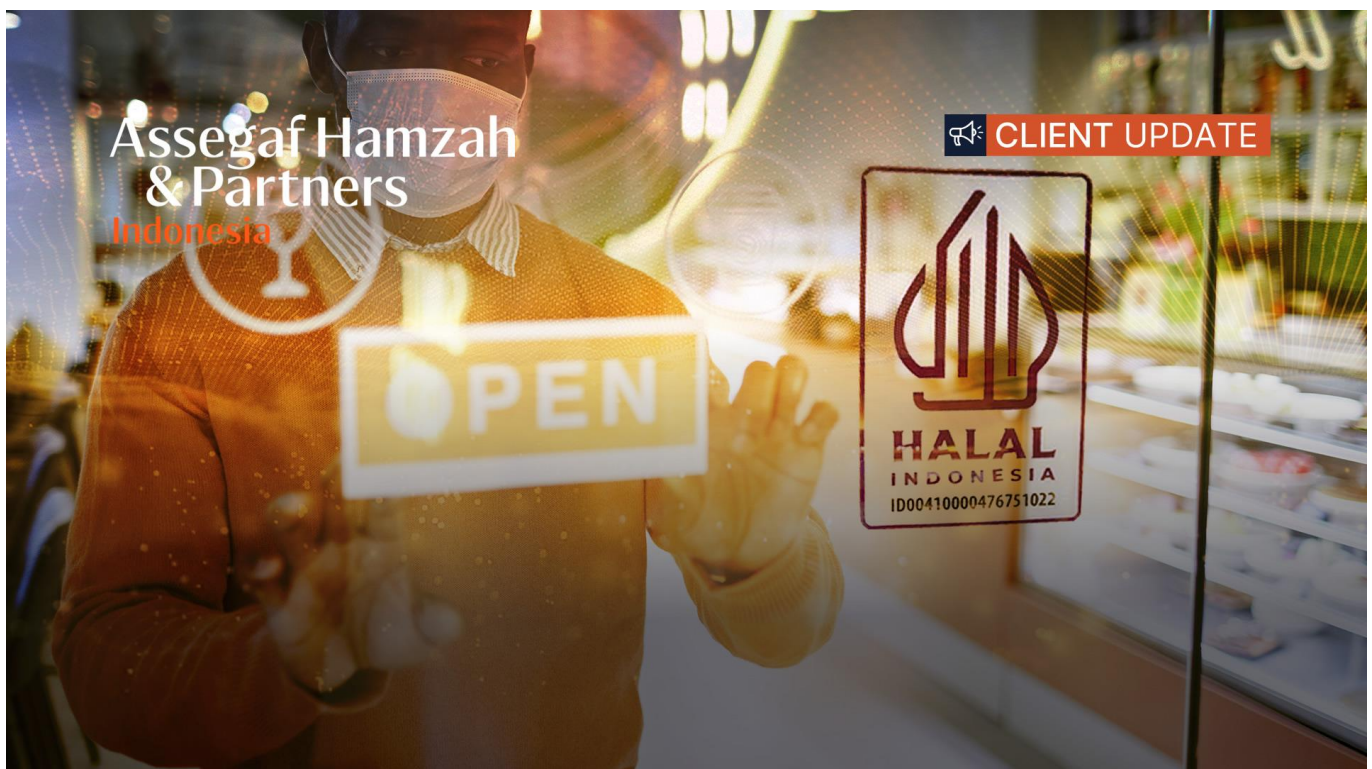


COMPETITION/ANTITRUST AND CONSUMER PROTECTION

Indonesia's Halal Certification Deadline is Here: Is Your F&B Business Compliant?



As discussed in our previous update on this topic (click [here](#) to read), Indonesia's mandatory halal regime for various goods and services is being implemented in stages, beginning today, 17 October 2024. This is in accordance with Law No. 33 of 2014 on Halal Product Assurance, as amended by Law No. 6 of 2023,¹ and Government Regulation No. 39 of 2021 on the Implementation of the Halal Product Assurance.

The first stage of this implementation focuses on the food and beverage ("F&B") sector. **Effective today**, all F&B products sold and distributed in Indonesia, except those that originate from materials prohibited under Islam (haram), must be halal-certified by the Halal Product Assurance Administering Agency (*Badan Penyelenggara Jaminan Produk Halal* or "**BPJPH**"). This includes raw materials, food additives, and auxiliary materials used in F&B production, as well as slaughtered products and related services. In this respect, products derived from or made with non-halal ingredients must clearly display a non-halal label on their packaging. This label can be in the form of a picture, sign, or written notice.

¹ On the Stipulation of Government Regulation in Lieu of Law No. 2 of 2022 on Job Creation to Become Law.

It is crucial to note that this mandatory halal certification also applies to products manufactured outside of Indonesia but sold within the country. For imported products, halal certificates issued by foreign halal agencies will be recognised in Indonesia only if those agencies have entered into a mutual recognition agreement with the BPJPH. This means that products with recognised halal certifications only need to be registered with the BPJPH, without undergoing the certification process in Indonesia.

However, if a foreign halal agency is not yet recognised by the BPJPH, products must undergo the Indonesian halal certification process, even if they have already been halal-certified abroad.

Failing to comply with these halal certification requirements can lead to administrative sanctions, ranging from written warnings, fines, to product recalls.

Key Takeaways

With the mandatory halal certification now in effect, businesses in the F&B sector must ensure immediate compliance. From the government's side, the BPJPH has been ramping up its enforcement efforts by appointing Halal Product Assurance Supervisory Personnel (*SDM Pengawas Jaminan Produk Halal*) across various regions in Indonesia. These personnel have undergone mandatory training as part of their appointment and will be responsible for overseeing the implementation of halal certification in the first phase.

While the range of potential sanctions for non-compliance has been outlined, it remains to be seen how severely these sanctions will be applied in practice. However, the BPJPH's recent actions suggest a proactive approach to enforcement, underscoring the importance of compliance. Businesses should proactively verify their products' compliance with the new halal certification requirements. This includes reviewing ingredients, production processes, and labelling to ensure alignment with halal standards.

Contacts

COMPETITION/ANTITRUST AND CONSUMER PROTECTION



Albert Boy Situmorang

PARTNER

D +62 21 2555 9955
albert.situmorang@ahp.id

[Tsurayya Nurrahma](#) also contributed to this alert.

Please feel free to also contact Knowledge Management at RTApublications@rajahtann.com.

Regional Contacts

Cambodia

Rajah & Tann Sok & Heng Law Office

T +855 23 963 112 / 113
kh.rajahtannasia.com

China

Rajah & Tann Singapore LLP
Shanghai & Shenzhen Representative Offices

T +86 21 6120 8818
F +86 21 6120 8820
cn.rajahtannasia.com

Indonesia

Assegaf Hamzah & Partners

Jakarta Office

T +62 21 2555 7800
F +62 21 2555 7899

Surabaya Office

T +62 31 5116 4560
F +62 31 5116 4560
www.ahp.co.id

Lao PDR

Rajah & Tann (Laos) Co., Ltd.

T +856 21 454 239
F +856 21 285 261
la.rajahtannasia.com

Malaysia

Christopher & Lee Ong

T +603 2273 1919
F +603 2273 8310
www.christopherleeong.com

Myanmar

Rajah & Tann Myanmar Company Limited

T +951 9253750
mm.rajahtannasia.com

Philippines

Gatmaytan Yap Patacsil Gutierrez & Protacio
(C&G Law)

T +632 8248 5250
www.cagatlaw.com

Singapore

Rajah & Tann Singapore LLP

T +65 6535 3600
sg.rajahtannasia.com

Thailand

Rajah & Tann (Thailand) Limited

T +66 2656 1991
F +66 2656 0833
th.rajahtannasia.com

Vietnam

Rajah & Tann LCT Lawyers

Ho Chi Minh City Office

T +84 28 3821 2382
F +84 28 3520 8206

Hanoi Office

T +84 24 3267 6127
F +84 24 3267 6128
vn.rajahtannasia.com

Rajah & Tann Asia is a network of legal practices based in Asia.

Member firms are independently constituted and regulated in accordance with relevant local legal requirements. Services provided by a member firm are governed by the terms of engagement between the member firm and the client.

This update is solely intended to provide general information and does not provide any advice or create any relationship, whether legally binding or otherwise. Rajah & Tann Asia and its member firms do not accept, and fully disclaim, responsibility for any loss or damage which may result from accessing or relying on this update.

Our Regional Presence



Based in Indonesia, and consistently gaining recognition from independent observers, Assegaf Hamzah & Partners has established itself as a major force locally and regionally, and is ranked as a top-tier firm in many practice areas. Founded in 2001, it has a reputation for providing advice of the highest quality to a wide variety of blue-chip corporate clients, high net worth individuals, and government institutions.

Assegaf Hamzah & Partners is part of Rajah & Tann Asia, a network of local law firms in Cambodia, China, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam. Our Asian network also includes regional desks focused on Japan and South Asia.

The contents of this Update are owned by Assegaf Hamzah & Partners and subject to copyright protection under the laws of Indonesia and, through international treaties, other countries. No part of this Update may be reproduced, licensed, sold, published, transmitted, modified, adapted, publicly displayed, broadcast (including storage in any medium by electronic means whether or not transiently for any purpose save as permitted herein) without the prior written permission of Assegaf Hamzah & Partners.

Please note also that whilst the information in this Update is correct to the best of our knowledge and belief at the time of writing, it is only intended to provide a general guide to the subject matter and should not be treated as a substitute for specific professional advice for any particular course of action as such information may not suit your specific business and operational requirements. It is to your advantage to seek legal advice for your specific situation. In this regard, you may call the lawyer you normally deal with in Assegaf Hamzah & Partners.