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Challenges in Sustaining Halal Product Assurance among MSMEs in Aceh: Implications for the Islamic Economic Ecosystem

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Abstract

Objective: This study investigates the challenges of sustaining halal product assurance among Micro, Small, and Medium Enterprises (MSMEs) in Aceh following halal certification and examines their implications for the Islamic economic ecosystem.
Method: A socio-legal approach integrated with a normative-empirical method was employed through regulatory analysis, in-depth interviews, and field observations. Data were collected from halal-certified MSMEs and relevant stakeholders, including the BPJPH Supervision Directorate, LPPOM MPU Aceh, and LP3HI UIN Ar-Raniry. The data were analyzed using Braun and Clarke's (2006) six-phase thematic analysis.
Result: The findings reveal significant gaps between the requirements of the Halal Product Assurance System (SJPH) and MSME practices in five post-certification dimensions: internal audits, halal documentation, the role of Halal Supervisors, raw material monitoring, and self-declaration. SJPH implementation remains largely administrative rather than substantive. The study also identifies the Aceh Paradox, whereby strong religiosity and Sharia-based governance inadvertently foster a taken-for-granted attitude that weakens adherence to formal post-certification requirements.
Implication: Sustainable halal assurance requires consistent SJPH implementation, strengthened Halal Supervisor capacity, post-certification mentoring, and institutional synergy. This study contributes to the literature by introducing the Aceh Paradox as a contextual explanation for post-certification discipline challenges among halal-certified MSMEs.
Originality/Novelty: This study contributes to the halal assurance literature by introducing the concept of the Aceh Paradox. This contextual empirical finding explains how strong religious commitment and comprehensive Sharia governance structures may unintentionally undermine formal post-certification discipline among halal-certified MSMEs.
Keywords: Aceh Paradox; Halal assurance sustainability; Halal Product Assurance System (SJPH); Halal-certified MSMEs.

Introduction

The global halal industry has expanded rapidly into one of the world's most strategic economic sectors. The State of the Global Islamic Economy 2024/25 report documents that global Muslim consumer spending across six real-sector industries, food, pharmaceuticals, cosmetics, modest fashion, Muslim-friendly tourism, and media and recreation, reached USD

2.43 trillion in 2023 and is projected to exceed USD 3.36 trillion by 2028. Indonesia, as the country with the world's largest Muslim population, ranks third in the Global Islamic Economy Indicator and stands as both a leading market and producer of global halal products (DinarStandard, 2024). This growth aligns with the rising consumer awareness of halal in everyday consumption decisions. Halal awareness, the visibility of the halal logo, and consumer attitudes have been shown to influence purchase intention toward halal products, including among non-domestic consumers (Bashir, 2019; Gunawan et al., 2020). At the same time, halal has emerged as an instrument for strengthening brand equity and market competitiveness, with halal compliance contributing to the formation of halal brand equity and consumer trust in halal products (Khan et al., 2022). In this context, halal is no longer viewed merely as a religious matter but also as a determinant of economic competitiveness that shapes market access and cross-border consumer trust (Salindal, 2019).

Product Assurance (UU JPH), marking the transition from voluntary to mandatory certification (Faridah, 2019). This was further reinforced by Government Regulation No. 39 of 2021 and Government Regulation No. 42 of 2024, which revised the timeline of mandatory halal certification. Effective 18 October 2024, halal certification is mandatory for food, beverage, raw material, and slaughtering service products produced by medium- and large-scale enterprises, while for Micro and Small Enterprises, the deadline has been extended to 17 October 2026.

Certification, however, is not the end point of halal assurance. International studies consistently show that the halal status of a product is dynamic and vulnerable to risks of cross-contamination, changes in ingredient composition, supplier substitution, and operational negligence that may occur at any stage after the certificate has been issued. (Soon et al., 2017) emphasize that halal integrity must be maintained across the entire supply chain, since cross-contamination risks can occur at every stage of distribution and production. More recent work by (Ellahi et al., 2025) demonstrates that supplier changes, ingredient substitution, and weak post-certification monitoring constitute the most vulnerable points for the disruption of halal integrity. In this view, halal integrity is understood as a continuous process that requires consistent traceability and monitoring throughout the production and distribution cycle. (Rejeb et al., 2021) Further observe that sustainability issues within the halal supply chain have received relatively limited attention compared with the initial certification process, while (Bux et al., 2022) and (A. Ali et al., 2021; Esa Mahendra et al., 2024) underscore the importance of traceability and continuous oversight in maintaining the credibility of the halal system and preserving consumer trust.

At the instrumental level, the Halal Product Assurance System (SJPH) is designed as an internal mechanism to ensure halal compliance after certification. SJPH requires business actors to establish a Halal Management Team, appoint a Halal Supervisor, prepare an SJPH manual, conduct periodic internal audits, document raw materials and production processes, and report significant changes to BPJPH. (Giyanti et al., 2021) show that internal organisational factors strongly influence the successful implementation of halal standards among food-manufacturing MSMEs and positively affect business performance.

From an Islamic business ethics perspective, post-certification halal compliance carries significance that extends beyond a mere administrative obligation. The principle of amanah, which emphasizes trustworthiness and responsibility in business conduct, positions SJPH implementation as an ethical and religious commitment that must be upheld by Muslim business actors. Administrative negligence in maintaining halal compliance after certification, therefore, cannot be viewed solely as a technical compliance failure. Furthermore, consumer confidence in halal products is strongly influenced by halal awareness and trust-related attributes associated with halal assurance systems (Bashir, 2019). In a broader market context, sustained halal compliance contributes to the development of halal brand equity and strengthens consumer trust, both of which are essential for maintaining the credibility and sustainability of the halal market ecosystem (Khan et al., 2022).

The conceptual roots of market supervision within the Islamic economic tradition can be traced to the institution of ḥisbah, a historical mechanism for safeguarding the accountability of market actors, the integrity of transactions, and consumer protection. (Triwibowo et al., 2022; Yaakob et al., 2019). Within contemporary halal governance, the spirit of ḥisbah remains relevant as a conceptual backdrop for supply chain oversight and the ethical compliance of business actors with halal norms. (Hidayat & Yasin, 2024). This study draws on these conceptual roots only to situate SJPH within the Islamic tradition of market supervision, not to develop a theory or model of ḥisbah. At the same time, the empirical analysis remains focused on SJPH implementation and the sustainability of halal product assurance among MSMEs.

Aceh Province occupies a distinctive position within Indonesia's halal governance landscape. As the only region that formally applies Islamic law under Law No. 11 of 2006 on the Governance of Aceh, Aceh strengthens the national halal assurance framework through Aceh Qanun No. 8 of 2016, which functions as *lex specialis* to UU JPH. Article 34 of the Qanun requires all products circulated in Aceh to be halal-certified. With nearly 99 percent of its population being Muslim, the identity of *Serambi Mekkah*, and an MSME ecosystem comprising over 424,850 enterprises, Aceh is, in principle, an ideal habitat for halal sustainability.

Empirical realities, however, indicate that holding a halal certificate is not always accompanied by sustained halal practices following certification. Based on BPJPH and LPPOM MPU Aceh data in 2026, approximately 99.69 percent of MSME halal certifications in Aceh were obtained through the self-declare scheme, while only 0.31 percent went through the regular pathway based on physical audits by Halal Inspection Agencies. This composition shows that certification acceleration in Aceh has been particularly rapid while raising challenges concerning substantive verification and continuous oversight.

In Aceh's socio-cultural context, these challenges intersect with strong public trust in the region's religious identity and in local Muslim business actors. Some MSME actors assume that products manufactured within a Sharia-governed society are inherently halal, leading SJPH management to be perceived as an administrative formality once the certificate has been obtained. (Fuadi & Razali, 2023). Although the high religiosity of Acehnese society constitutes important social capital for the halal ecosystem, it may also foster a *taken-for-granted* disposition that diminishes the urgency of formal halal control mechanisms.

Such vulnerabilities have begun to surface in supervisory findings. At the national level, the Indonesian Food and Drug Authority (BPOM) in 2025 identified nine processed food products containing porcine DNA, seven of which had already obtained halal certificates. Field audits by LPPOM MPU Aceh also revealed similar vulnerabilities in certain raw material supply chains in

Aceh. Such findings demonstrate that halal integrity can be compromised when supply chain oversight and post-certification monitoring do not function optimally.

Over the past decade, halal governance literature has been dominated by studies on the determinants of certification intention, the impact of certification on business performance, and technology-based halal supply chain modelling (Ali et al., 2021; Khan et al., 2022; Rejeb et al., 2021). Studies that specifically examine the sustainability of halal product assurance for MSMEs within the SJPH framework remain limited, and those situating this issue within regions with Islamic law characteristics, such as Aceh, are even rarer. This study seeks to address that gap. It examines the challenges in sustaining halal product assurance among MSMEs in Aceh following certification and analyses their implications for the broader Islamic economic ecosystem. The study contributes empirically by documenting patterns of post-certification compliance behaviour that, in the Aceh context, may be understood as a paradox of the interplay among high religiosity, compliance culture, and the gap in post-certification discipline, and practically by offering an empirical basis for SJPH policies more adaptive to MSME characteristics.

Literature Review

Prior studies on halal assurance systems for MSMEs can be mapped into four complementary streams. The first stream examines halal governance as a regulatory framework that connects state regulation, religious authorities, and business actors. (Ab Talib, 2017) argues that the primary motivations for halal certification among business actors are oriented not only toward religious compliance but also toward market legitimacy and quality assurance. (Zailani et al., 2015) Add that a firm's halal orientation is influenced by both external pressures and internal commitment, while (Zailani et al., 2020) show that the influence of a halal orientation strategy on financial performance depends on the presence of a halal culture within the organisation. (Tieman et al., 2012) introduce the principles of halal supply chain management, emphasising that effective halal governance requires a balance between external regulation and internal organisational capacity.

The second stream focuses on halal assurance as an operational mechanism. (Soon et al., 2017) conceptualise halal integrity as a commitment to halal compliance throughout the supply chain. (Rejeb et al., 2021)Through bibliometric analysis, they show that the sustainability of the halal supply chain remains relatively underexplored compared with the initial certification process. (Ellahi et al., 2025) further argue that the greatest risks to halal integrity emerge at the post-certification stage.

The third stream examines halal compliance at the firm level, particularly among MSMEs. (Salindal, 2019) finds that compliance with halal certification positively affects innovation and market performance, while (Giyanti et al., 2021) emphasise that the depth of halal standard implementation is the key determinant of performance among certified MSMEs. (Vanany et al., 2020) demonstrate that determinants of halal food consumption in Indonesia are strongly influenced by perceptions of the assurance system's credibility. (Tumiwa et al., 2023) Add that the combination of halal supply chain management, certification, and traceability significantly influences MSME performance.

The fourth stream highlights halal sustainability and the integration of technology. (Bux et al., 2022) Review how certification and blockchain can complement each other in enhancing traceability. Ali et al. (2021) model blockchain as a sustainable framework for halal food supply chains in Malaysia, while (Alamsyah et al., 2022) present a similar initiative for the Indonesian halal supply chain ecosystem.

From this mapping, it becomes evident that the literature has largely focused on certification outputs and supply chain technological innovation, while the dimension of internal SJPH processes at the post-certification stage among MSMEs has received limited empirical attention. (Anggraini et al., 2023; Aurahma & Arsyianti, 2023; Suhartini et al., 2024). Moreover, the literature has rarely framed post-certification challenges within Islamic business ethics and the broader Islamic economic ecosystem, even though halal compliance through amanah, consumer trust, and market credibility is constitutive of these very systems. This study addresses such gaps by positioning SJPH as the unit of analysis and post-certification MSMEs in Aceh as its specific empirical context.

Research Methodology

This study adopts a socio-legal approach combined with a normative-empirical method. The socio-legal lens is appropriate because the phenomenon under investigation concerns not only the content of legal norms in Law No. 33/2014 on Halal Product Assurance (UU JPH), Government Regulation No. 42/2024, Aceh Qanun No. 8/2016, and BPJPH Regulation No. 5/2025, but also how these norms are translated into the actual practices of certified MSMEs and the supervisory institutions surrounding them. Together, this dual approach enables a structured *gap analysis* between the *das sollen* of halal regulation and the *das sein* of post-certification practice, a methodological orientation consistent with established socio-legal scholarship on regulatory implementation in Muslim-majority jurisdictions.

The research site is Banda Aceh, the provincial capital of Aceh, which constitutes the centre of economic activity and hosts the highest concentration of certified MSMEs in the province. Informants were selected through *purposive sampling* based on their direct involvement in halal certification, SJPH implementation, post-certification supervision, and the safeguarding of halal product integrity. Four functional categories of informants were identified along the halal-governance value chain: national regulator, regional Sharia-based authority, accompanying institution, and implementing MSME, so that the data could capture the perspective of every actor whose decisions shape post-certification halal sustainability. The categorical composition of informants is summarised in Table 1.

Data were collected through three mutually reinforcing techniques. *First*, a documentary analysis of the regulatory architecture, SJPH manuals, and certification-supporting documents was conducted to establish the normative standards against which actual practice would be evaluated. *Second*, semi-structured in-depth interviews were conducted over a five-month fieldwork period, with an average duration of 60–90 minutes per session. Each interview was audio-recorded with informant consent and transcribed verbatim; sensitive identifying details were anonymised, and informants were referenced only by categorical role rather than by individual identity. *Third*, field observations were conducted at MSME production sites, covering raw-material management, production-area separation, documentation routines, and the actual presence and functioning of Halal Supervisors.

Data analysis followed the six-phase *thematic analysis* procedure of Braun and Clarke (2006): (1) familiarisation through repeated reading of transcripts; (2) generation of initial codes; (3)

searching for themes guided by the *gap analysis* frame; (4) reviewing themes against the transcripts and documentary corpus; (5) defining and naming themes; and (6) producing the analytical report. The five final themes that emerged from internal audits, halal documentation, the Halal Supervisor role, raw-material monitoring, and self-declare implementation were aligned with the five-dimensional SJPH analytical framework set out in BPJPH Decree No. 20/2023. Triangulation across documentary, interview, and observational sources was performed, and *member checking* with key informants was used to confirm the validity of analytical interpretations. Confidentiality of informants was maintained in accordance with research ethics principles.

Table 1.
Categorical Profile of Informants

Informant Category	Number	Purpose of Selection	Main Information Obtained
BPJPH Supervision Directorate (National regulator)	2	To represent the central halal-certification authority responsible for designing and enforcing post-certification supervision in Indonesia.	National regulatory framework (UU 33/2014; PP 42/2024; BPJPH Reg. 5/2025); post-certification supervision mechanisms; institutional capacity constraints; perspective on the self-declare pathway.
LPPOM MPU Aceh (Regional Sharia-based halal authority)	1 (Halal Auditor)	To represent the regional Sharia-based authority operating under Aceh's lex specialis framework (Qanun 8/2016) and conducting field-level halal audits.	Compliance issues observed in the field; jurisdictional interface with BPJPH; implementation challenges of the lex specialis regime.
LP3HI UIN Ar-Raniry (Halal Product Process Companion Institution)	1 (Chair of LP3HI)	To represent the accredited companion institution that recruits, trains, and supervises P3H facilitators responsible for the self-declare pathway.	Certification accompaniment processes; field-verification practices; observed gaps in MSME readiness; quality-control limitations of the self-declare scheme.
Halal-certified MSME owners (Direct implementing actors)	15	To examine actual post-certification compliance practices among MSME operators selected purposively to ensure variation in (a) sub-sector; (b) certification pathway (regular and self-declare); and (c) duration of certificate holding (minimum six months prior to interview).	Day-to-day SJPH implementation; internal-audit practices; halal documentation; the functional role of the Halal Supervisor; raw-material monitoring; behavioural disposition toward the certificate; barriers and

			motivations of compliance.

Source: Compiled by the authors based on fieldwork in Banda Aceh. Individual identifiers of MSMEs and informants are withheld in accordance with research ethics commitments.

Results

This section presents the study's main findings on the challenges in sustaining halal product assurance among MSMEs in Aceh and discusses their implications for the Islamic economic ecosystem. The five core dimensions internal audits, halal documentation, the Halal Supervisor role, raw-material monitoring, and self-declare implementation are addressed sequentially and then synthesised within the framework of post-certification halal sustainability.

Internal Audits: From Systemic Obligation to Administrative Ritual

Internal auditing forms the core of any halal management system, as it ensures that each SJPH criterion is periodically evaluated and corrected before external auditors verify it. The findings reveal a pronounced gradation in practice among certified MSMEs in Banda Aceh. A number of MSMEs with relatively larger scale and more mature organisational structures conduct periodic internal evaluations supported by written SOPs and divisional coordinators. The majority of micro-MSMEs, by contrast, carry out oversight informally without fixed schedules, written records, or any system beyond the personal initiative of the owner. Within this latter group, internal audits tend to be associated only with the moment of certificate application rather than as part of a continuous management cycle.

This pattern is reinforced by confirmation from the BPJPH Supervision Directorate, which acknowledges that post-certification supervision at the national level remains predominantly incidental and complaint-based rather than systematic and scheduled. In Aceh, the absence of an independent BPJPH supervisory structure still falls under a Technical Implementation Unit (UPT) based in Medan, further widening this gap. The same pattern is described by Soon et al. (Soon et al., 2017) as the erosion of halal integrity that occurs when internal control does not operate on a continuous basis. (Giyanti et al., 2021) Likewise, we find that the depth of halal standard implementation, partly measured through the frequency and quality of internal audits, is a key determinant of certified-MSME performance.

Halal Documentation: Between Standards and Inconsistency

The second dimension concerns halal documentation, encompassing the SJPH manual, raw-material records, SOPs, and records of compositional and supplier changes. The findings show that most MSMEs in Aceh did not receive a written SJPH manual from the certifying body at the time the certificate was issued. Among MSMEs going through the self-declare pathway, the explanation of obligations was more often communicated verbally during field assistance; among MSMEs going through the regular pathway, written SOPs are available, but documentation tends to remain in the hands of the owner rather than being institutionalised.

This condition disrupts the audit trail that is a prerequisite for traceability, a central pillar of halal sustainability widely discussed in the literature (Alamsyah et al., 2022; Bux et al., 2022; Ellahi et al., 2025; Tieman et al., 2012). Within the halal orientation strategy framework of

(Zailani et al., 2015, 2020), inconsistent documentation is an indicator of a weak organisational halal culture, which in turn erodes MSMEs' ability to sustain halal integrity over time.

The Role of the Halal Supervisor: Formality without Functional Authority

The Halal Supervisor is designed as the internal actor responsible for ensuring SJPH implementation in the day-to-day operations of the business. The findings indicate that, among MSMEs in Aceh, this role is typically performed by the business owner or an immediate family member. In many cases, the designated Halal Supervisor is not even aware of formally holding the role, let alone aware of the obligations attached to it. The BPJPH Supervision Directorate acknowledges that training for Halal Supervisors remains highly limited and is currently focused on preparing medium- and large-scale enterprises for the 2026 mandatory deadline.

LP3HI UIN Ar-Raniry confirms that, although outreach, training, and mentoring for Halal Product Process Companions have been carried out, the scope and frequency of these activities remain disproportionate to the number of certified MSMEs. The result is a significant capability gap between the regulatory mandate placed on the Halal Supervisor and the actual competence of MSME actors, a finding that deepens the discussions of (Ab Talib, 2017) and (Salindal, 2019) on the centrality of internal human-resource capacity in halal compliance.

Raw-Material Monitoring: Assumed Halal versus Verified Halal

Raw-material monitoring is one of the most frequently highlighted critical halal control points in the literature (Ellahi et al., 2025; Soon et al., 2017; Tumiwa et al., 2023). Among MSMEs in Banda Aceh, the study identifies two dominant patterns. The first pattern consists of MSMEs that maintain strong discipline by halting production when raw material supplies do not meet standards and by ensuring that every supplier provides halal certification documents. The second pattern more commonly observed among micro-MSMEs is reliance on the assumed halal status indicated by logos on packaging, without systematic verification, accompanied by ingredient substitution when prices or availability change, without formal reporting to certification authorities.

The vulnerability of the second pattern has been verified at the field-audit level. At the national level, BPOM's 2025 findings identifying nine processed food products containing porcine DNA, with seven already bearing halal certificates, reinforce the argument that a halal certificate without active supply chain oversight does not constitute a complete guarantee. Similar conditions have also been found in field audits by the regional halal authority in Aceh, indicating that supply chain failures can occur even in apparently simple products.

This pattern entails two structural vulnerabilities. First, logo-based halal assumptions are exposed to cross-contamination risks when the raw-material supply chain lacks transparency (Bux et al., 2022; Tieman et al., 2012; Alamsyah et al., 2022). Second, ingredient substitution without reporting directly contravenes Government Regulation No. 42 of 2024, which obliges business actors to report any change in product composition or halal production process to BPJPH. In practice, this obligation is almost never fulfilled by micro-MSMEs due to a lack of awareness rather than deliberate violation. The cultural assumption that *"local Muslim-made products are necessarily halal"* (Fuadi & Razali, 2023) reinforces this lack of awareness, confirming (Vanany et al., 2020) argument that consumer trust depends on the functioning credibility of the assurance system rather than the mere presence of a halal logo.

Self-Declare Implementation: Acceleration that Generates New Risks

The self-declare scheme is designed to accelerate MSME certification through self-attestation by business actors that their products use halal ingredients, with verification carried out by Halal Product Process Companions (P3H) assigned by an LP3H. In Aceh, this scheme dominates to an extreme degree, reaching 99.69 percent of all certificates issued through the BPJPH pathway. The findings indicate that this scheme is not always accompanied by adequate field verification. Remote-accompaniment practices and inconsistencies in verification have been acknowledged as problems necessitating regulatory strengthening.

Several MSME informants confirmed that they did not receive an SJPH manual or substantive explanation of SJPH criteria, so that the halal certificates they obtained were not accompanied by a functional understanding of the obligations attached to certificate holders. BPJPH has formulated a stricter regulatory framework through BPJPH Regulation No. 5 of 2025, which reinforces the obligation of P3H field verification; however, the effectiveness of this regulation depends heavily on supervisory capacity at the local level. The structural risk of the self-declare scheme may be understood as an unavoidable consequence of the *trade-off* between accessibility and accuracy (Anggraini et al., 2023; Aurahma & Arsyianti, 2023). (Suhartini et al., 2024), within the framework of maslahah, argue that ease of access must not strip away the substance of halal.

Table 2.
Implementation Gaps of SJPH across Five Core Dimensions

SJPH Dimension	Regulatory Ideal (das sollen)	Observed Reality (das sein)
Internal Audit	Scheduled periodic audits with written records and documented corrective actions.	Mostly informal; associated with the certificate-application moment.
Halal Documentation	Written the SJPH manual and institutionalised SOPs.	Manuals are rarely received in written form; documentation is not institutionalised.
Halal Supervisor	Trained, competent supervisor with operational authority.	Commonly held by owner or family member; training remains limited.
Raw-Material Monitoring	Halal status verified through supplier documents and reporting of substitutions.	Largely reliant on logo-based halal assumption; reporting of substitutions is minimal.
Self-Declare Implementation	Field-based companion verification.	Partly accompanied by inconsistent remote-verification practices.

Source: Compiled by the authors from fieldwork and regulatory documents (UU JPH, PP 42/2024, BPJPH Decree 20/2023, BPJPH Regulation 5/2025).

Religiosity, Compliance Culture, and Trust within the Acehnese Context

The patterns observed across the five SJPH dimensions converge into an empirical finding that, in the Aceh context, may be understood as a paradox: a deeply religious environment and a robust Sharia-based regulatory structure, in practice on the ground, foster a taken-for-granted disposition that erodes formal post-certification discipline. The paradox can be analytically decomposed into two intertwined elements. First, the structural element: Aceh's identity as Serambi Mekkah, reinforced by Law 11/2006 and Qanun 8/2016, creates the strongest Sharia-based halal governance scaffold in Indonesia. Second, the behavioural element: this very strength, in some of the observed cases, generates an implicit assumption among local MSME actors that products made by Muslims in a Sharia-governed society are intrinsically halal, lowering the perceived urgency for documented internal controls.

Within the Aceh context, this empirical finding can be understood through four interrelated dynamics. First, religiosity as ambiguous social capital: the high religiosity that anchors public trust can paradoxically become a source of vulnerability when it is presumed to substitute for formal discipline. Second, a compliance culture more normative than instrumental: MSME actors tend to interpret halal compliance as a personal moral-religious commitment rather than as an organisational procedure to be documented and audited. Third, cultural trust replacing verification: inter-Muslim trust in Aceh's market displaces formal verification, so that the halal certificate is read more as religious-identity affirmation than as an operational system requiring sustained maintenance. Fourth, Islamic business ethics as commitment without instrumentation: the values of amānah and honesty are substantively held by MSME actors but have not been translated into concrete, documented organisational practice.

This contextual finding challenges the implicit assumption in much of the literature that stronger religious-cultural environments automatically produce stronger halal compliance. Field observations instead suggest an inverse possibility when value internalisation is assumed to suffice without accompanying system formalisation. This pattern enriches the discourse of Islamic business ethics by showing that the authentic religious commitment of business actors does not automatically translate into sustained operational compliance.

Economic Implications of SJPH Sustainability for MSMEs

Beyond legal and administrative considerations, the sustainability of SJPH carries direct economic implications for micro-enterprises that have so far been underexplored in the halal governance literature. The *cost of compliance* for an MSME typically includes the time investment to maintain SJPH documentation, periodic internal audits, ingredient verification procedures, and the human-resource commitment of a Halal Supervisor. For micro-enterprises with thin margins and limited managerial bandwidth, these costs appear visible and immediate, creating a short-term temptation to treat SJPH as a one-off administrative requirement once the certificate has been obtained.

The *cost of non-compliance*, however, is far more severe, though it operates within a probabilistic horizon that micro-actors tend to discount. A single documented breach can trigger product recall, certificate revocation, loss of consumer trust, and reputational damage that propagates across local supply chains. For a micro-enterprise without reserve capital, the materialisation of such an event is effectively catastrophic; it represents not a temporary setback but business termination. A functional SJPH, in this calculus, is best understood not as a cost centre but as a *risk-insulation instrument* that protects micro-enterprises from low-probability, high-impact events while simultaneously securing market access to the broader Islamic economic ecosystem where halal credibility is the entry threshold for cross-border competition.

Implications for the Islamic Economic Ecosystem

The findings of this study carry direct implications for the contemporary Islamic economic ecosystem. *First*, the integrity of the halal market, the foundational layer of the Islamic economic ecosystem, depends not on certificate ownership but on the sustained operationalisation of SJPH at the MSME level. When SJPH operates only administratively, the credibility of the halal label is eroded, and so too is the consumer trust on which the wider ecosystem depends (Bashir, 2019; Khan et al., 2022). *Second*, *Islamic business ethics*, particularly the principle of amanah, provide the normative compass for MSME compliance. Yet, the findings suggest that ethical commitment without instrumentation through SJPH cannot sustain market credibility. *Third*, the economic sustainability of halal-certified MSMEs is itself conditional upon their ability to maintain SJPH discipline, which protects their access to the global halal market, a market projected to exceed USD 3.36 trillion by 2028 (DinarStandard, 2024). These three implications position SJPH not as a regulatory burden but as a *constitutive infrastructure* of the Islamic economic ecosystem.

Synthesis: Toward Sustained SJPH Implementation

The five dimensions discussed above are interrelated and form a consistent pattern: SJPH among MSMEs in Aceh predominantly operates at an administrative level and has not yet become a functional internal halal management system. Ritualised internal audits, inconsistent documentation, formally titled Halal Supervisors, assumption-based raw-material monitoring, and minimally verified self-declare schemes are different manifestations of the same problem: the weak internalisation of SJPH as an operating system rather than as documentation accompanying the certificate.

Three practical implications emerge from these findings. *First*, the sustainability of halal assurance cannot be assumed to occur automatically after certification; it requires active post-certification mentoring and supervision. *Second*, the principal instrument of such sustainability is not advanced traceability technology directed at large enterprises but a simple, operable, and internalised SJPH for MSMEs. *Third*, strengthening the capacity of Halal Supervisors through training and mentoring is a strategic step to transform SJPH from a symbolic status into a functioning practice. These implications also remain relevant to the national context as Indonesia approaches the October 2026 mandatory halal certification deadline.

Conclusion

This study has examined the challenges in sustaining halal product assurance among MSMEs in Aceh and traced their implications for the Islamic economic ecosystem. Empirically, the five dimensions assessed internal audits, halal documentation, the Halal Supervisor role, raw-material monitoring, and self-declare implementation consistently displayed an administrative rather than functional orientation. One important observation drawn from fieldwork is an empirical finding that, within the Aceh context, may be understood as a paradox: high religiosity and a robust Sharia-based governance structure are, in practice, associated with a *taken-for-granted* disposition that weakens formal SJPH discipline at the MSME level. This pattern challenges the implicit assumption that stronger religious-cultural environments yield stronger halal compliance. It enriches the discourse of *Islamic business ethics* by demonstrating that the authentic religious commitment of MSME actors does not automatically translate into sustained operational compliance.

Practically, the sustainability of halal assurance among MSMEs cannot rest solely on the possession of a certificate. Three complementary strategic steps are required: strengthening Halal Supervisor capacity through structured training; sustained post-certification mentoring by LP3H institutions and supervisory authorities; and the adaptation of SJPH instruments to be simpler, measurable, and internalisable by MSMEs. In the Acehnese context, synergy among BPJPH, MPU Aceh, LPPOM MPU, and LP3HI UIN Ar-Raniry constitutes an essential condition for building a halal ecosystem that safeguards product integrity from upstream to downstream.

For the Islamic economic ecosystem, the implications are threefold: the credibility of the halal market depends on operational SJPH discipline; amanah as an ethical principle requires institutional instrumentation; and the economic sustainability of halal-certified MSMEs is contingent upon their continued compliance. The study is limited in geographical coverage and number of informants, so the generalisation of findings must be approached cautiously. Further research is recommended to test the influence of SJPH implementation on certified-MSME performance quantitatively, to examine analogous dynamics in other Muslim-majority jurisdictions, and to explore the operational internalisation strategies of Islamic business ethics values at the MSME level.

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Author Contributions Statement

JL designed the research, collected and analysed the data, and drafted the manuscript. MT provided conceptual supervision, refined the analytical framework, and conducted critical revisions of the argument's structure. AN contributed substantive input on methodology, triangulation validation, and final revision of the manuscript. All authors have read and approved the final version to be published.

Conflict of Interest

The authors declare no conflict of interest in the research, writing, or publication of this article.

AI Usage Statement

The authors declare that the use of Artificial Intelligence (AI) tools in the preparation of this article was strictly limited to supportive functions, namely language editing, grammar checking, and improving the clarity and readability of the manuscript. AI was not used to generate core ideas, conduct substantive analysis, interpret data, or draw scholarly conclusions. Full responsibility for the originality, accuracy, and academic integrity of the article rests entirely with the authors.

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