#### **CHAPTER IV**

## FINDING AND ANALYSIS

### A. Legal Protection For Moslem Consumers

Because of the moslem consumer in Indonesia is major market segment, legal protection should have been given in labeling *halal* on food product consumed by society. It is important because these activities do not only to guarantee its product but also to ensure that products are *halal* to be consumed and they can give benefits for health. Therefore, it has been regulated under legislation, mentioned in Law No.8 of 1999 on consumer protection, Law No.7 of 1996 on foods and official institution (LPPOM MUI) which is competent in conducting the protection especially for moslem consumer. Those laws made inspection and reviewing on food products included *halal* certification. Those regulations have the details as follows:

### 1. Based on the law of Consumer Protection

Based on the Law of consumer protection, Indonesian moslem consumers should get the rights and get more protection and assurance *halal* of food product because it has been regulated in consumer protection regulations of law No. 8 of 1999 contained as follow:

a. According to Article 4 in point a, is consumer protection Act on the Rights of consumers. Among the rights are the right to comfort, security, and safety in consumption of products, goods, or services.

Based on the interview's result with Mr. Zainal Abidin as an editorial board LPPOM MUI, the purposes of Article 4 point a is related to the protection of consumers on *halal* food product is Moslem consumers in Indonesia, that have right to get *halal* food product that are safe to consume, easy to use, and there are no negative impacts for Moslems and could provide safety to its product.

b. According to Article 4 letter in point c, Law of Moslem consumer explained about the rights of the consumer, the rights of the correct information, clear and straightforward about the condition and guarantee of goods or services.

Based on the interview's result with Mr. Mukti Fajar as a Chairman of the Agency for Quality Assurance in Universitas Muhammadiyah Yogyakarta, the meaning of Article 4 point c explains that moslem consumers have the right to get clear information. In this case, manufacturer has to give true information about *halal* food product.

c. According to Article 7 in point a, consumer protection Act is described as consumer's obligations that is well intentioned in conducting their business activities.

Based on the interview's result with Mr. Munawir as an editorial board in LPPOM MUI Yogyakarta, the meaning of Article 7 in point a, is that the businessman should have good faith and intentions in producing or selling *halal* food product and do not falsify the *halal* label on food products.

d. According to Article in point b, consumer protection Act explains about the consumer's obligation such as giving information about condition of goods, services or foods and as well as provide an explanation for usage, improvement and maintenance.

Based on the interview's results with Mr. M Sabikhis as an editorial board LPPOM MUI, this article explains that businessman has to give clear and true information towards *halal* food product which are safe for consumption and *halal*.

e. According to Article 9 paragraph (1), consumer protection Act prescribes about the inhibition of businessman that is prohibit to offer, promote, advertise of goods and services incorrectly.

Based on the interview's result with Miss. Siti Nurjannah as an editorial board of LPPOM MUI Yogyakarta explained that businessman is prohibited to offer and promote with label of fake food product.

### 2. Regulation of MUI

Based on the consumer protection regulation on guarantee of food product, moslem consumer has to obtain the protection towards *halal* guarantee of its product by LPPOM MUI. Therefore, the regulations used by LPPOM MUI are as validity of food product.

### a. Based on Islamic Figh

Islam has commanded to its adherents to choose *halal* food and avoid haram one.

Based on Hadist Riwayat Muslim No 1015 said: "O ye who believe, eat of the sustenance of the good that we have given you". Then he pointed out a man, he had a long journey, her hair tousled and dusty, he lifted his hands to the sky: "Yaa Rabbi! Yaa Rabbi!" While he was eating unclean foods, clothes that he wears are haraam, and he drank from forbidden beverages, and grew up on the things that are forbidden, how it might be received his pray". (HR Muslim no. 1015).

The meaning of Principle above is the halal foods give good impacts while *haram* foods one has a negative influences (*madhorot*) to humans.

Based on the result of interview with Mr. Zainal Abidin as an editorial board of LPPOM MUI, it implies that that the meaning of this principle is *halal* food gain more health benefits and good impact for health and human body. Therefore, Allah SWT commanded us to consume the *halal* food and avoid *haram* one because it gives negative influence for human's health.

**b.** According to Article 30 paragraph (1), Law No.7 of 1996 concerning on foods, everyone who produces or insert packaged food traded into the territory of Indonesia is required to include a outside or inside label of food packaging.

Based on the interview's result with Mr. Sugito as an editorial board of LPPOM MUI in Yogyakarta it can be interpreted that the meaning of its provisions is every single businessman who sells or produces his food in Indonesia, should enclose *halal* label in food packaging that will be traded.

- **c.** According to Article 30 paragraph (2), Law No. 7 of 1996 is concerning with food. It also mentioned in paragraph (1); there are some information as follows:
  - 1) The name of product
  - 2) The list of ingredients
  - 3) The net weight or net contents
  - 4) The name and producer's address who inserts food into Indonesian territory
  - 5) The information about *Halal*; and
  - 6) The date, month and expired years

Based on the interview's result of research in field with Mr. Drs. Mulyanto as an editorial board of LPPOM MUI in Yogyakarta it can be explained that businessman that made *halal* label in his product must complete the information that can be justified its validity printed in label. In this case, *halal* label is considered as an accountability of businesses.

**d.** According to Article 2 paragraph (1), The Government Regulation No. 69 of 1999 concerning on food label: Everyone who produces or bring in packaged food traded into the territory of Indonesia is required to include a outside or inside label in food packaging.

Based on the interview's result of research with Mr. Zainal Abidin as an editorial board of LPPOM MUI in Yogyakarta, it is interpreted that every businesses who produces or affords a food product packaged in Indonesia especially Yogyakarta must enclose clear labeling food packaging that will be traded.

## 3. LPPOM MUI

LPPOM is an abbreviation of *Lembaga Pengkajian Pangan*, *Obatobatan dan Kosmetika* (the Institute for supervision of Food, Drug, and Cosmetics). LPPOM was established by MUI with the task of auditing the companies that require *Halal* Certificate of MUI. LPPOM is a special institution assigned by the MUI based on official laws, they are:

- a. The Law No. 7 of 1996 concerning food and its explanation.
- b. The Law No. 18 of 2012 concerning food.
- c. The Law No. 18 of 2009 concerning on livestock and animal health.
- d. The Law No. 8 of 1999 concerning on Legal Protection.
- e. The Government Regulation No. 69 of 1999 concerning on advertise and food label and also its explanation.
- f. The Charter Agreements Minister of Religion, MUI, and The Health Ministry in 1996.

Under the provisions of the law, LPPOM MUI is an institution received a mandate and authority to carry out the task of auditing the *Halal*.

## 4. Monitoring Mechanism by LPPOM MUI on Halal Food Product.

## a. The Role and Function of LPPOM MUI Towards *Halal* Food Product.

According to Mr. Drs. Nanang Munir, Msi as Editorial Board of LPPOM MUI 2014, there are roles and functions of LPPOM MUI in assurance *halal* food product, they are:

- 1) Providing the *halal* certification services to related companies.
- 2) Giving counseling and education related to *halal* food product for communities.
- 3) Conducting scientific studies in order to improve the quality and *halal* certification services and education. Cooperating with various parties heading to the wide community through the '*halal*' activities (appropriate to the Islamic *Sharia*).

## b. The Authority of LPPOM MUI to Guarantee *Halal* Food Product.

In the MUI Fatwa Association Book in 2003 Article 7 paragraph 1, the authority of LPPOM MUI to guarantee *halal* food products are as follows:

- Doing a test of food products both process and raw food product.
- 2) Giving *halal* certificate's recommendation to the businessman

3) Giving recommendation if businessman do a good offense whether giving fake label or other violations.

# c. The requirements of Food Products to Obtain LPPOM MUI's Halal Certification.

Based on the LPPOM MUI's decision, there are some requirements of food products in getting LPPOM MUI's certification, they are:

- 1) Does not contain wine, alcohol, etc
- 2) Does not derive from pork ingredients
- All animal ingredients should be original and slaughtered based on Islamic sharia's procedures.
- 4) Does not contain other ingredients that are forbidden or classified as unclean as: carcasses, substances derived from human organs, blood and etc.

# d. The LPPOM MUI's Procedure and Mechanism in obtaining Halal Certification.

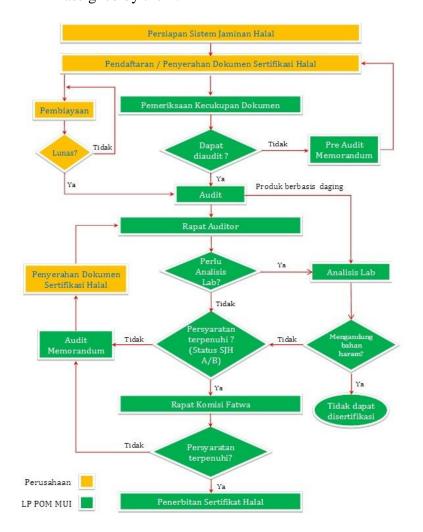
Based on the Director's Decree of LPPOM MUI No. SKII/Dir/LPPOMMUI/III/08 concerning on requirement for getting *Halal* Certification as follows:

- 1) Before the businesses applies *halal* certification for its products, he/she must comply the certain procedures, they are:
  - a. The businessman has to fill out the form provided and attached.
  - Specifications and raw materials certification, additive or adjuvant.
  - c. Halal's Certificate from local MUI (local products) or halal's certificate from Islamic institutions that have been recognized by MUI (imported product).
  - d. *Halal* assurance system described in the guidance as well as the *halal* standard procedures implementation.
- Auditor Team of LPPOM MUI conducts investigation into the company's location businessman, after the form and its annexes submitted and examined completely.
- 3) The results of the examination and laboratory findings were evaluated in the meeting of experts in LPPOM MUI, if the requirements are fulfilled, Auditor made the report and submitted to the MUI fatwa's commission meeting to decide the status' halal'.

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<sup>&</sup>lt;sup>1</sup>Anonim, 2002, *Pedoman Untuk Memperoleh Sertifikat Halal*, LPPOM MUI, Jakarta, page.3

- 4) MUI Fatwa's Commission Meeting could reject the examination report, if all requirements determined have not fulfilled completely.
- 5) The *halal* certification issued by MUI after '*halal*' label assigned by them.



# e. The Obligation of Businessman Towards *Halal* Guarantee of Food Product.

According to Mr. Zainal Abidin LPPOM MUI as an editorial board, there are several obligations that must be done to guarantee businessman *halal* food products, as follow:

- 1. The businessmen must maintain and ensure the *halal* food products.
- 2. The businessman explain honestly to LPPOM MUI that their products are *halal* and safe to be circulated to the societies.
- 3. The businessman has to guarantee that food products are *halal* based on Islamic sharia.

# f. The Legal Action Against Law's Infringements Committed by Businessman

Based on the Regulation No. 33 of 2014 Article 41 concerning on the actions or sanctions done by MUI to businesses who committed violations, they are:

- 1. The LPPOM MUI conducts spot check.
- Providing a warning either oral or written form to businessman who committed violation or conducted counterfeiting on *halal* label of food products.
- 3. The LPPOM MUI revokes or withdraws the food products from communities' circulation.

# B. The Responsibility of Businessman towards the *Halal* Guarantee of Food Product.

## 1. The Responsibility of Businessman.

The Responsibility of businessman on the product, can be found in Article 19 Paragraph (1) and (5) as well as Article 28 of Law No. 8 of 1999 on Consumer Protection. Those laws assign that: "(1) A business agent is responsible for providing compensation for damage, contamination, and / or loss of customers due to the consumption of goods and / or services produced or traded

According to the editorial board LPPOM MUI, Mr. Zainal Abidin, the meaning of the article is that the business agent has the responsibility to provide restitution to consumers, especially moslem consumers who suffered loss, damage and pollution as a result of consuming food products produced by businessman.

Furthermore, in Article 10, paragraph (1) "Any person who produces or imports packaged food into Indonesian territory to be traded and stated that the products are *halal* for Moslems, is responsible for the correctness of the statement and shall include a description or word *halal* on the Label".

Meanwhile, in Mr. Mulyanto's opinion as an editorial board of LPPOM MUI, the meaning of the article is the legal consequences for businesses who have enclosed *halal* label in their food product to

complete the description contained. If it cannot be proven, the businesses declared contrary to law.

Based on these descriptions, the researcher conclude that the consequences of the inclusion of a statement contained in the packaging label will carry legal consequences in form of obligation to complete the statement with scientific facts that can be justified. As well as the case with the labeling of *halal* contained in packaging also carries consequences guarantees and liability for the correctness of this information.

#### 2. The Penalties for Businesses.

The criminal and civil sanctions for businesses who did not enclose *halal* label in his invalid food product so that he/she can also be exposed to administrative sanctions as regulated in Government Regulation No. 66 of 1999 on Labels and Advertising. Article 66 paragraph (1) refers to "any person who violated the provisions referred to in this government regulation subject to administrative action". The administrative proceeding consists of:

- a. The written warning
- b. The prohibition to circulate goods or to remove food product from circulation
- c. The culling foods if it is proven harmful to human life and health;
- d. The cessation of production for the time being
- e. The imposition of a max fine of Rp. 50.000.000 (fifty million rupiah)