

SNI

Indonesian National Standard

Halal management system



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Foreword

The Indonesia National Standard of Halal management system is arranged to provide assurance of the product *halal*-ness (goods and/or services), so that comfort, safety, security and certainty of the availability of halal products for the people in consuming and using the products are achieved, as well as to improve the added values for the business in producing and selling the halal products.

The SNI is drafted by the Technical Committee 03-08 Halal, which has been discussed through technical meeting and agreed upon in the consensus meeting on 10 December 2015 in Jakarta. The meeting was attended by the representatives of the consumers, producers, experts, government agencies, and other related institutions.

It should be noted that the possibility of some elements of this standard document can be a patent. The National Standardization Agency is not responsible for identification of one or all existing patents.

This standard has been through the processes of polling on February 1, 2016 to March 31, 2016 and voting from May 27, 2016 to July 26, 2016 with the final result of RASNI (final draft of the SNI).

Preface

The Indonesia National Standard of Halal management system is arranged as a reference and principle in implementing the halal management system to provide assurance that the product/service is produced by an organization can be guaranteed their *halal*-ness. The requirement of halal management system which is specified in this Standard is completed the requirement for product and service.

The progress of science and technology in the food, drugs and cosmetics sectors is growing very rapidly. It provides real influence on the shift of processing and utilizing of raw materials for foods, drinks, cosmetics, drugs and other products that initially simple and natural to become processing and utilizing of raw materials as the results of the science's engineering. Product manufacturing by utilizing the advancement of science and technology enables the mix between the halal and *haram* (non-halal), intentionally as well as unintentionally, and in reality there are many products distributed in the community all have not been guaranteed yet their *halal*-ness.

Principles that are used in the halal management system implementation include:

- a. Consumer protection
In the implementation, the halal management system is targeted to protect the Muslim community.
- b. Justice
The halal management system implementation must reflect justice proportionally for every citizen.
- c. Certainty
The halal management system implementation aims to provide certainty on product *halal*-ness.
- d. Accountability and transparency
Each activity and the activity final result of halal management system implementation must be accounted for to the community as the highest holder of the state's sovereignty in accordance to the provisions of the legislations.
- e. Effectiveness and efficiency
The implementation of halal management system is conducted with the effective and efficient-oriented goals as well as to minimize the use of resources with a quick, simple, and inexpensive or affordable.
- f. Professionalism
The implementation of halal management system is conducted by putting forward the expertise that is based on competence and code of ethics.
- g. Continuity
The SNI implementation of halal management system is conducted continuously to ensure the products (goods/services) *halal*-ness.



Halal Management System

1 Scope

The scope of this standard is applicable for the organization confirming that they produce halal products. The standard applies publicly for all categories of organizations, such as: manufacturing industry (food, drug/medicine, cosmetics), slaughterhouse, production process, catering, restaurant, service industry (such as: distributor, warehouse, delivery, hotel, retailer) and utility goods.

Halal product in this standard includes materials derived from animal, plant, microbe, as well as materials produced through physical process, chemical process, biological process or process of genetically engineered. It includes the series of process to ensure the *halal*-ness of the products that comprise material supply, manufacturing, storage, packaging, distribution, sale, product presentation and service that take place on an ongoing basis.

2 Terminology and definition

For the purpose of the use in this document, the following terminologies and definitions are used:

2.1

Product

Good and/or service related to food, drink, drug/medicine, cosmetic, chemical product, biological product, genetically engineered product, as well as utility good that is worn, used or utilized by the community.

NOTE Including in the drug/medicine category, such as: pharmaceutical substances, herb/traditional medicines and food supplement.

NOTE Including in the utility goods category, such as: medical devices, household health supplies, clothing, prayer tools, and packaging.

2.2

Halal product

Product that has been declared halal in accordance to Islamic shari'a

NOTE Halal product must comply with the halal requirements

2.3

Organization

Business person and facility with the arrangement on responsibility, authority and interrelation in producing the product

EXAMPLE Company, corporation, firm, business entity, institution, social institution, trader or part of or combination thereof

NOTE The organization can be government agency or private

2.4

Businessperson

Individual or business entity that is legal entity or non-legal entity conducting business activity in the territory of the Republic of Indonesia

2.5

Customer

Organization or individual that receive the product

EXAMPLE Consumer, partner, retailer, recipient and buyer

NOTE Customer can be internal or external to the organization

2.6

Consumer

Every organization or individual using the good and/or service which is available in the community, for the interests of personal, family, other people as well as other living creatures and it is not for sale

2.7

Resources

Including facility, raw material, additive material, processing aid, personnel involved in the halal product

2.8

Halal

Action or product that is allowed in accordance to Islamic Shari'a

2.9

Halal requirement

Everything that meets Islamic Shari'a and MUI (Indonesian Council of Ulama)'s *fatwaa*

2.10

Halal supervisor

An individual and/or a team which has responsible for the halal management implementation

2.11

Indonesian Council of Ulemas (*Majelis Ulama Indonesia* - MUI)

A deliberation forum of the Indonesian *ulema*, *zuama* and Muslim scholars that provides written *fatwaa* related to the confirmation of product *halal*-ness

2.12**MUI's fatwaa**

A written opinion based on the Islamic Shari'a's consideration that is issued by the MUI concerning the halal status of a product

2.13**Halal auditor**

A person with Islamic religion who has the ability to conduct the examination of product *halal*-ness

2.14**Ingredient/material**

Ingredient consists of raw material, additive material, processing aid

2.15**Raw material**

The main ingredient that is used in the production activity or process, that can be in the form of raw, semi-finished or finished material.

2.15**Additive material**

The material that is added intentionally into the product to create a component/influence to typical nature of the product

2.16**Processing aids**

The material that is used to help the production process, but is not part of the ingredient composition

2.17**Halal management team**

A special team is established by the top management to assist the halal policy implementation of an organization

2.18**Traceability**

The ability to trace the history, application or location of the object (entity or something that is being considered)

NOTE

When considering a product, traceability can relate to the source of ingredient, history of processing, distribution and product place after delivery

3 Organizational context

3.1 Understanding the organization and the context

The organization must determine the external and internal issues related to the process which is relevant to achieving the goal and the organizational strategic direction in implementing the halal management system.

The organization must monitor and review the information related to the external and internal issues.

NOTE 1 Issues can be positive or negative factor/condition to be considered.

NOTE 2 In order to make it easier to understand the external context is by considering the issues that arise from the aspect of law, technology, business competition, market, culture, socio and economic, either in the scale of international, national, regional or local.

NOTE 3 In order to make it easier to understand the internal context is by considering the issues that arise from the aspects related to the values, cultural knowledge and organizational performance.

3.2 Understanding of the need and expectation of the interested parties

In relation to the impact or potential impact against the organizational ability to consistently provide products that meet the customers' requirement and the legislations' provision, organization must establish:

- a) the interested parties which is relevant to the implementation of halal management system;
- b) the requirement from the interested parties which is relevant to the implementation of halal management system.

NOTE Point a explains on which organization that is relevant to the implementation of halal management system; point b explains that after selecting the relevant organization, then the relevant requirement is determined for the implementation of the halal management system.

The organization must monitor and review the information on the interested parties and relevant requirement.

3.3 Scoping of the halal management system

The organization must determine the limits and the applicability of the halal management system implementation for establishing the scope in accordance to the halal requirement.

In determining the scope, the organization must consider:

- a) External and internal issues as referred to in 3.1;
- b) The requirement of the relevant interested parties as referred to in 3.2;
- c) Product from the organization.

The organization must apply all requirements in this standard in accordance to the established scope.

The scope must exist and be maintained as documented information.

3.4 Halal management system and the process

3.4.1 The organization must determine, implement, maintain and continuously improve the halal management system, including the required process and its interaction, in accordance to the requirement of this standard.

The organization must determine the required process for the halal management system and its implementation in the scope that is established by the organization and sets:

- a) the required input and the expected output from this process;
- b) phase and interaction among the process;
- c) criteria, methodology, including measure and related performance indicator that is needed to ensure the effective operation and to control between the process;
- d) the required resources and ensuring the availability;
- e) the assignment in the form of responsibility and authority for each process;
- f) the risk and opportunity in accordance to requirements 5.1, and to plan as well as implement accurate action to address;
- g) evaluating processes and implementation from each required changes in each process to ensure the achievement of the expected result;
- h) the opportunity for improving each process and halal management system.

3.4.2 For broader purpose, the organization must:

- a) maintain the required documented information to support the proses implementation;
- b) maintain the documented information so that the processes that are being carried out are in accordance to the plan.

4 Leadership

4.1 Leadership and commitment

4.1.1 General

The top management must show leadership and commitment to the halal management system by:

- a) performing the accountability of halal management system effectiveness;
- b) ensuring that the halal policy and determined halal target for the halal management system are in accordance to the organizational strategic directions and context;
- c) ensuring that the halal policy is communicated, understood and implemented in the organization;
- d) ensuring the integration of halal management system requirement in the organization's business process;
- e) encouraging increased awareness through the organization's business process approach;
- f) ensuring that the required resource for the halal management system is available;
- g) communicating the importance of effective halal management and in accordance with the requirement compliance of halal management system
- h) ensuring that the halal management system achieves the determined result;
- i) getting involved with, directing and encouraging the personnel to contribute to the halal management system effectiveness;
- j) encouraging the continuous improvement;
- k) encouraging the role of other related managements to show the leadership which become their responsibilities.

NOTE The reference for "business" in this standard can be interpreted broadly as main activities for the purpose of the organization existence; either public or private organization, commercial or non-profit.

4.1.2 Customer-focused

The top management must show leadership and commitment to focus on customers by ensuring that:

- a) determined the legislation, the halal requirement and the customer requirement should be understood and met consistently;
- b) the risk and opportunity which can affect the product conformity and the ability to improve the customer's satisfaction are determined and intended designation;
- c) the focus for increasing the customers' satisfaction is maintained.

4.2 Halal policy

4.2.1 The establishment of halal policy

The top management must establish, review and maintain the halal policy that:

- a) is accordance to the organizational goal and context;
- b) provides frameworks to establish and review the halal management targets;
- c) includes a commitment to comply to the applicable requirement;
- d) includes a commitment for continual improvement of the halal management system.

4.2.2 The communication of halal policy

Halal policy must:

- a) be available as documented information;
- b) be communicated, understood and implemented in the organization;
- c) be available for the conformed and interested related parties, as they should be.

4.3 The organization's role, responsibility and authority

The top leader must ensure that the responsibility and authority for the relevant roles are determined, communicated and understood by the whole of the organization.

The top leader must establish the responsibility and authority to:

- a) ensure that the halal management system is in accordance to this standard's requirement;
- b) ensure that the process gives the expected output;
- c) report the performance of the halal management system, opportunity for improvement and the need of change or innovation, and mainly to report to the top management;
- d) ensure the improvement of customer-focus in all of the organization;
- e) ensure that the integrity of the halal management system is maintained when the changes in the halal management system is planned and implemented.

NOTE Top management can establish the halal management team in accordance to the organization need.

5 Plan of the halal management system

5.1 Actions to address risks and opportunities

5.11 When planning the halal management system, the organization must consider the issue as referred to in 3.1 and the requirement as referred to in 3.2 and establish the risk and opportunity that must be faced with the goals to:

- a) provide assurance that the halal management system is able to achieve the expected result;
- b) improve the expected effect;

- c) prevent or reduce the unexpected effect;
- d) Achieve continuous improvement.

5.12 Organization must plan:

- a) the action to address the risk and opportunity;
- b) ways to:
 - 1) integrate and implement the action into the halal management system process (see 3.4);
 - 2) evaluate the action effectiveness.

The action that is taken to address the risk and opportunity must be proportional against the potential impact of the products' conformity.

NOTE 1 The option to address the risk and opportunity can include: avoiding the risk, taking the risk to catch the opportunity, eliminating the source of risk, changing the possibility or consequence, sharing the risk, or keeping the risk with informed decision

NOTE 2 Opportunity can lead to adopting new ways, launching new product, opening new market, establishing new customers, building partnership, using new technology and any opportunity that is desirable and feasible to meet the organization or customer needs

5.2 Halal management target and the plan to achieve it

5.2.1 The organization must establish the halal management target to the relevant function, level and process.

The halal management target must:

- a) be consistent with the halal policy;
- b) be measurable;
- c) take into account the applicable requirement;
- d) be relevant to the product's conformity and the improvement of customer's satisfaction;
- e) be monitored;
- f) be communicated;
- g) be updated for the conformity.

Organization must keep the documented information of the halal management target.

5.2.2 During planning the way to achieve the halal management target, the organization must determine:

- a) what to do;
- b) needed resource;
- c) who will be responsible;
- d) when the target are going to be completed;
- e) how to evaluate the result.

5.3 Plan of changes

When the organization determines the need to make changes in the halal management system (see 3.4), then the changes must be done in a planned and systematic.

The organization must consider:

- a) the purpose of changes and the potential consequence that may arise;
- b) the halal management system integrity;
- c) the availability of resources;
- d) the allocation or re-allocation of responsibility and authority.

6 Supports

6.1 Resources

6.1.1 General

The organization must determine and provide the needed resources for the establishment, implementation, maintenance and continuous improvement of the halal management.

Organization must consider:

- a) the capabilities and limitations of existing internal resources;
- b) the resources that need to be acquired from external provider.

6.1.2 Human resources

In order to ensure that the organization is consistently able to meet the customer's requirement and the applicable regulation, the organization must provide the required personnel so that the halal management system operates effectively, including the needed process.

Especially for the halal supervisors, they must be Moslems and have broad knowledge of and understand the shari'a on halal.

6.1.3 Infrastructure

Organization must establish, provide and maintain the infrastructure for operational process in achieving products' conformity, in accordance to the halal requirement, and legislation's requirement;

NOTE Infrastructure can include, such as:

- a) the building and its facility;
- b) equipment, including hardware and software;
- c) transportation;
- d) information and communication technologies.

6.1.4 Working environment

The organization must establish, provide and maintain the needed working environment for the operational processes in achieving the halal product conformity.

6.1.5 Monitoring and measuring of resources

6.1.5.1 General

Organization must establish and provide the needed resources to ensure the validity and trustworthiness of the results when monitoring and measuring are used to verify that the products meet the requirements.

Organization must ensure that the provided resources are:

- a) conformed with the performed certain monitoring and measuring activities;
- b) maintained so that they continue to work well in accordance to the goal.

Organization must keep the conformed documented information as the evidence of the feasibility of the operating resources for the purpose of monitoring and measurement.

6.1.5.2 Measurement's Traceability

When measurement's traceability is obliged by the legislation requirement, customers' requirement, halal requirement or interested parties; or considered by the organization as an important part to improve the trust level of the measuring result validity; then the measuring tool must be:

- a) verified or calibrated or both in a certain period of time or before being used against the traced measuring standard to the international or national measuring standards. If the said standard is unavailable, the basic for calibration or verification used must be stored as a documented information;
- b) identified to determine the calibration status;
- c) kept from any changes, damages or decrease in function that would cancel the calibration status and the following measuring results.

Organization must decide whether the validity of the previous measurement is negatively affected when the instrument is found faulty during the scheduled verification and calibration process, or during use, and takes needed accurate corrective measure.

6.1.6 Knowledge of the organization

Organization must establish the required knowledge to perform the operational process and to achieve the products' conformity.

The said knowledge must be maintained and available as far as is required.

When facing changes of needs and development, the organization must consider the already-established knowledge and determine the ways to acquire or access additional knowledge(s) required.

NOTE 1 The organizational knowledge can include information such as intellectual property rights and learning result.

NOTE 2 In order to acquire the required knowledge, the organization can consider:

- a) internal resource (such as: lesson learnt from the project's failure and success, taking the undocumented knowledge and experience in certain field from the expert in the organization);
- b) external resource (such as: standards, academia, conferences, MUI *fatwa*, various knowledges collected from the customer or provider).

6.2 The Competency

Organization must:

- a) determine the required personnel competency to perform the work that affect the performance of the halal management system;

- b) ensure that the related personnel has the competence based on the suitability of education, training, or experience;
- c) whenever possible, an action must be taken to acquire the required competency and evaluate the effectiveness of the performed action;
- d) ensure that the personnel with the role of Halal Supervisor is Muslim and understand the shari'a on *halal*-ness;
- e) keep the conformed documented information as an evidence of the competency.

NOTE 1 Possible action may include, such as: training, mentoring, or reassigning of personnel who currently works to evaluate their competencies; or hire competent personnel

NOTE 2 Organization must follow the conducted competence training in the institution that is recognized by the competent authority.

6.3 The Concern

Personnel who perform works in the organization must have an understanding of:

- a) halal policy;
- b) halal management target;
- c) their contributions on the effectiveness of the halal management system, including the benefit from the improved performance;
- d) the implication of the dis-conformity with the halal management system requirement.

6.4 The Communication

Organization must determine the internal and external communications in accordance to the halal management system, which includes:

- a) the messages that will be delivered;
- b) time to communicate;
- c) with whom the communication is;
- d) ways to communicate;
- e) who perform the communication.

6.5 The Documented information

6.5.2 General

The halal management system in the organization must cover

- a) documented information which is required by this standard;
- b) documented information which is determined by the organization in accordance to the need for the halal management system effectiveness.

NOTE The scope of the documented information for the halal management system may differ from one organization to the others because of:

- the organizational scale and types of activity, process and product;
- the complexity of the process and interaction;
- the personnel's' competency.

6.5.3 The making and updating

When makes and updates the documented information, the organization must ensure the conformity of:

- a) the identification and description (such as: the title, date, author, or the reference number);
- b) format (such as: language, soft copy version, graphic) and media (such as: paper, electronic);
- c) review and approval for the conformity and sufficiency.

6.5.4 Control of the documented information

6.5.4.1 Documented information which is required by the halal management system and this standard must be controlled to ensure:

- a) the availability and conformity for use, where and when is needed;
- b) sufficiently protected (such as :protected from the loss of confidentiality, improper use, or loss of integrity).

6.5.4.2 In order to control the documented information, the organization must perform the following activity, as applicable:

- a) distribution, access, pickup and use;
- b) storage and maintenance, including maintenance of legibility;
- c) Change control (such as: control of the document's edition);
- d) retention and disposition.

Documented information coming from the external for planning and operational of the halal management system is determined by the organization and must be conformity identified and controlled.

Documented information which is maintained as evidence of compliance of conformity must be protected from unwanted changes.

NOTE Access to documented information may be translated as the permission to see the documented information, or the authority to see and change the documented information.

7 Operational

7.1 Plan of operational and control

Organization must plan, implement and control the process, as elaborated in the article 3.4, which is needed to meet the requirement in providing the halal products and to perform actions in accordance to article 5.1, by:

- a) establishing the requirement of ingredients, products (including among others, the products' sensory profile, shape and naming) and facilities in accordance to the halal requirement and the legislations;
- b) establishing the criteria for:
 - 1) the process is in accordance with the halal requirement and the legislation;
 - 2) the product acceptance is in accordance with the halal requirement and the legislation;
- c) establishing the required resources to meet the product requirement conformity in accordance to the halal requirement and the legislation;
- d) implementing the process control in accordance to the criteria that refers to the halal requirement and the legislation;

- e) keeping the documented information as needed to
 - 1) assure that the process has been conducted as planned;
 - 2) show the product's conformity against the halal requirement and the legislations.

The outputs of this planning must be in accordance to the operational organization.

Organization must control the planned change and review the consequence of the unwanted changes, act to reduce the side effect, as needed.

Organization must ensure that the given process to other parties is controlled in accordance to article 7.4.

7.2 Establishment of product requirement

7.2.1 The customer communication

Organization must determine the process for customer communication in relations to:

- a) product-related information;
- b) questions, contract or reservation-handling, including the changes;
- c) customer opinion and perception, including customer complaints;
- d) handling customer property, when applicable;
- e) special requirement for required action, whenever relevant.

7.2.2 Establishment of product-related requirement

Organization must establish, implement and maintain the process to determine the product requirement in accordance to the halal requirement, which will be provided to the customers.

Organization must ensure that:

- a) The established product requirement includes:
 - 1) all halal requirements and legislation;
 - 2) other requirements that are considered important by the organization;
- b) it has the ability to meet the halal requirement and the legislation as well as strengthen the halal claim of the supplied product.

7.2.3 Review of the product-related requirement

7.2.3.1 Organization must ensure the ability to meet the product requirement that is demanded by the customer. Organization must conduct the review prior to committing for providing products, including:

- a) Desired specific requirement by the customer, including the requirement during delivery and post-delivery activities;
- b) Requirement that is not stated by the customer but required for specific or desired use, if known;
- c) Specific requirement from the organization;
- d) Halal requirement and concerning the product;
- e) The contract requirement or the request that different from the previous one.

Organization must ensure that the contract requirement or the request which different from the previous one has been fulfilled.

The customer requirement must be confirmed by the organization prior to receiving, if the customer does not provide the written requirement.

Documented information that shows the review must be kept, including the new halal requirement or the changes.

7.2.3.2 Organization must maintain the documented information, if required :

- a) in the result of review;
- b) in all new requirements of product.

7.2.4 The changes of product requirement

Organization must ensure that the relevant documented information has been changed, and the related personnel understand the changed requirement when the product requirement has been changed.

7.3 The design and the development of halal product

7.3.1 General

If the detailed requirement of the organization's product has not been established yet or not defined by the customer or other interested parties, then the organization must establish, implement and maintain the design and the development of process in accordance to the product halal requirement and the legislation.

7.3.2 The design and development plan

In establishing the design and development's stages and control, the organization must consider:

- a) the legislation and other halal requirement;
- b) the nature, timeline and complexity of design and development activities;
- c) the requirement that determine certain process stage, including reviewing the used design and the development;
- d) verification and validation of required design and development;
- e) responsibility and authority of the parties that involve in the design and development process;
- f) the need in controlling the media relation between individual and the parties that involve in the design and development process;
- g) the need to involve the customer and user group in the design and development process;
- h) the required documented information to confirm that the halal requirement for the design and development has been fulfilled.

7.3.3 The input of design and development

Organization must determine the main requirement for certain type of the product that is designed and developed,

Organization must consider:

- a) compliance with the legislations and halal requirement;
- b) functional and performance requirement;
- c) information that comes from the activity of design development of similar previous product;
- d) standards or codes of practice that the organization has committed to implement;
- e) the potential consequence of a failure due to the nature of the product.

The input must be sufficient for the need of the design and development, complete and clear. Conflict between the input for the design and development must be solved.

NOTE The failure can be translated as a failure of the product and/or the non *halal*-ness of the product

7.3.4 Control of the design and development

Organization must implement control on the design and development process to ensure that:

- a) the result that will be achieved by the design and development activity is clearly defined;
- b) the design and development review is conducted as planned;
- c) verification is conducted to ensure that the design and development's outputs has fulfilled the requirement from the design and development inputs;
- d) validation is conducted to ensure that the resulted product is able to fulfill the product specification, the legislation and halal requirement;
- e) all necessary actions to address the problem that is determined during the activities of review, verification and validation;
- f) documented information on all these activities are maintained.

NOTE Review, verification and validation of the design and development have different purposes. These three things can be performed separately or combined in accordance to the nature of the organization's product.

7.3.5 The output of design and development

The organization must ensure that the output of design and development:

- a) fulfill the legislation and the halal requirement;
- b) fulfill the requirement of design and development input;
- c) are sufficient for the next process in the supply of product;
- d) cover or refer to the requirement of monitoring and measuring, and acceptance criteria, as applicable;
- e) ensure that the product to be produced or provided is suitable for the intended purpose and the safe and proper use.

Organization must keep the documented information of the design and development's process results.

7.3.6 The change of design and development

The organization must conduct review, control and identify of the changes when arranges input and output during a process of the product design and development or the next product design and development, as long as no adverse impact on compliance with the legislation and halal requirement.

Documented information in the changes of design and development must be kept.

7.4 Control of the product provided externally

7.4.1 General

Organization must ensure that process and product which is provided externally in accordance to the halal requirement and the legislation.

Organization must determine the above mentioned requirement to control the product that is provided externally, when:

- a) the externally-provided product is owned by the organization;
- b) product provided directly by the external provider to the customer on behalf of the organization;
- c) process or part of a process that conducted by external provider as a result of the organizational decision which is handed over to another party.

Organization must determine and implement the criteria for evaluation, selection, performance monitoring and re-evaluation of the external provider based on the ability to provide process or product in accordance to the halal requirement and the legislation.

Organization must keep the documented information from the results of the evaluation, performance monitoring and re-evaluation of the external provider.

7.4.2 Type and control limit of the external provider

In determining the control type and scope that will be implemented against the external provider of the process and product, the organization must consider:

- a) the potential impact of the process and product that provided by the external party against the organization ability to consistently fulfill the customer requirement, the halal requirement and the legislation;
- b) the control effectiveness which is perceived by the external party.

The organization must determine and implement verification or other activity that is required to ensure that the process and product which is provided by the external party does not affect the organizational capability to consistently provide halal product to the customer.

The organizational process or function that is handed over to the external provider is still within the scope of organizational halal management system; thus the organization must consider points a) and b) as mentioned above and determine the said control to be implemented both to the external provider and to other outer producer.

7.4.3 Information for the external provider

The organization must communicate to the external provider on the applicable requirement as follows:

- a) the product that will be handed over or the process that will be conducted on behalf of the organization;
- b) approval or release of product, method, process or equipment;
- c) personnel's competence, including required qualification;
- d) interaction of the external provider with the organizational halal management system;
- e) the control and performance monitoring of the external provider that is applied by the organization;

- f) the verification activity that will be conducted by the organization or the customer in the external provider location.

The organization must ensure the adequacy of specified requirements prior to their communication to the external provider.

7.5 The product supply

7.5.1 Control of the product supply

The organization must implement controlled condition for the product supply, including the delivery and post-delivery activities.

Controlled condition must include, as applicable:

- a) the availability of documented information that determines the characteristic of halal product;
- b) the availability of documented procedure and notes that determine the direction of the activity that will be conducted and the result that will be achieved, including the critical activity that determines the product *halal*-ness;

NOTE The procedure must ensure that the halal product comes from the product part that fulfill the halal requirement, MUI *fatwa* and the legislation, and is manufactured in the production facility that fulfill the requirement.

- c) the activity of monitoring and measuring in the appropriate stage to verify that the criteria for control and process output, as well as the criteria of product receiving are fulfilled;
- d) the use of and control of infrastructure, as well as the appropriate process environment;
- e) the availability and the use of resource to conduct appropriate monitoring and measuring;
- f) halal-product related competency and, if required, the qualification requirement of personnel;
- g) validation and revalidation periodically against the organizational ability to achieve the planned result from every process of halal product supply, if the resulted output is not able to be verified through monitoring or measuring;
- h) the implementation of release, delivery and post-delivery activities of halal product.

7.5.2 Identification and traceability

The organization must:

1. have the written procedure to guarantee the traceability of halal products.
2. use the appropriate ways to identify the process output to ensure the product's conformity to the halal requirement and the legislation.
3. identify the status of process output with respect to monitoring and measuring requirements of the entire process of product supply;
4. control the unique identification of the process output and keep the required documented information to maintain the traceability.

NOTE The process output is the result of each activity that is ready to be delivered to the organization customer or internal customer(the input recipient for the next product); it can be in the form of ingredient, service, semi-finished product, components, dan others.

7.5.3 Property of the customer or the external provider

The organization must be careful with the property owned by the customer or the external provider when it is under the control of the organization or used by the organization. The organization must identify, verify, protect and preserve the property owned by the customer or the external provider that is provided to be used in or merged into the product which fulfills the halal requirement and the legislation.

When the property of the customer or the external provider is misused, lost, damaged or found inappropriate to be used, the organization must report it to the customer or the external provider.

NOTE The customer's property can include material, component, tools and equipment, customer's building, intellectual property and personal data.

7.5.4 Preservation

The organization must ensure the preservation of process output during the product supply to maintain the conformity with the halal requirement and the legislation.

NOTE Preservation may include identification, handling, packaging, storage, transmission or transportation, and protection.

7.5.5 Post-delivery activity

The organization must fulfill the halal requirements and the legislation for post-delivery activity related to halal product.

In determining how much the post-delivery activity is needed, the organization must consider:

- a) the risk associated with halal product;
- b) the nature, usage and lifetime of halal product;
- c) the input from the customer.

NOTE The post-delivery activity can include action in accordance to the provisions of the warranty, contract obligation such as: maintenance service, and additional service such as recycling or final disposal.

7.5.6 Control over changes

The organization must observe and control the important change that is unplanned for product supply as needed to ensure the conformity to the halal requirements and legislation is sustainable.

The organization must keep the documented information that describes the changes resulted from the review, the authority personnel, and every required action.

7.6 Halal product release

The organization must implement the planned arrangement in the appropriate stage to ensure that the products requirement has been fulfilled.

The product release to the customer must not be continued until the planned arrangement for verification of conformity has been completed satisfactorily, unless otherwise approved by the relevant authority and, if necessary approved by the customer.

The organization must maintain the documented information on the product release. Documented information must include:

- a) the evidence of compliance of the agreed criteria;
- b) traceability to the authorized person who releases the product.

7.7 The control of incompatibility between process output and halal product

7.7.1 The organization must ensure the process output that is not in accordance with the identified requirement and is controlled to prevent the unexpected use or delivery.

If the organization has released the product that does not fulfill the halal requirement and the legislation to the customer, then the organization must withdraw and destroy the product.

The organization must take accurate corrective measure based on the nature of incompatibility and the impact on conformity of the halal product.

The organization must manage the process output and non-conforming product by doing the following:

- a) segregation, containment, return or suspension of product supply;
- b) informing the customer;
- c) product withdrawal and destruction.

The organization must keep the documented information of the taken action on incompatibility between process output and product.

7.7.2 The organization must maintain the documented information that:

- a) elaborates the incompatibility;
- b) describes the taken action;
- c) identifies the authorized party to take action in relations to the incompatibility.

8 Performance evaluation

8.1 Monitoring, measuring, analysis, and evaluation

8.1.1 General

The organization must determine:

- a) what needs to be monitored and measured;
- b) the methodology to monitor, measure, analyze, and evaluate, as applicable, to ensure the valid result;
- c) when the monitoring and measuring must be conducted;
- d) when the results of monitoring and measuring must be analyzed and evaluated.

The organization must ensure that the monitoring and measuring activity are conducted in accordance with the specified requirement and must keep the appropriate documented information as the result evidence.

The organization must evaluate the quality and effectiveness performances of the halal management system.

8.1.2 The customer satisfaction

The organization must monitor the customer perception to find out the extent to which requirements have been fulfilled.

The organization must obtain information that related to the customer input and the opinion on the organization and the product.

The method to obtain and use the information must be determined.

NOTE Information related to the customer input can include the customer satisfaction or the opinion survey, customer data on the delivered product or the service quality, market share analysis, compliment, warranty claim and the agent report.

8.1.3 Analysis and evaluation

The organization must analyze and evaluate the data and appropriate information obtained from the monitoring, measuring and other sources.

Output of the analysis and evaluation must be used to:

- a) indicate the compliance of halal product with the halal requirement and the legislation;
- b) assess and improve the customer satisfaction;
- c) ensure the compliance and effectiveness of the halal management system;
- d) indicate that the planning is successfully executed;
- e) assess the process performance;
- f) assess the external provider performance;
- g) determine the need or the opportunity for improvement in the halal management system.

The analysis and evaluation results must also be used to provide management review input.

8.2 The internal audit

8.2.1 The organization must conduct an internal audit at planned intervals to provide information whether the halal management system is:

- a) compatible with:
 - 1) the internal organizational requirement for the halal management system;
 - 2) the requirement of this standard;
- b) effectively implemented and maintained.

8.2.2 The organization must:

- a) plan, determine, implement and maintain the audit program, including the frequency, at least once a year or more often if needed, the methodology, responsibility, planning and reporting requirements, who will consider the halal target, the importance of related process, customer feedback, change impact on the organization, and the result of the previous audit;
- b) determine the audit criteria and scope for each audit;
- c) select the auditor and conduct the audit to ensure the objectivity and the audit process impartiality;

- d) ensure that the audit result is reported to the relevant management;
- e) take the necessary correction and corrective action without delay;
- f) keep the documented information as the evidence of the audit program implementation, and the audit result.

NOTE See the SNI ISO 19011 as a guideline

8.3 Management review

8.3.1 General

The top management must conduct a review of the organizational halal management system at the planned intervals at least once a year or more often if needed, to ensure the compatibility, adequacy and effectiveness.

8.3.2 The input of management review

The management review must be planned and conducted by considering:

- a) the action status of the previous management review;
- b) the change of external and internal problem that is relevant to the halal management system including the strategic direction;
- c) information of the halal management performance, including the trend and indicator for:
 - 1) critical activity evaluation;
 - 2) incompatibilities and corrective action;
 - 3) monitoring and measuring of result;
 - 4) the audit result;
 - 5) customer satisfaction;
 - 6) the issues on external provider and other related party;
 - 7) adequacy of required resource to maintain the effective halal management system;
 - 8) the process performance and conformity of the halal product;
- d) effectiveness of the taken action to face the risk and opportunity (see article 5.1);
- e) new potential opportunity for continuous improvement;
- f) the follow-up of the evaluation result completion of management review must set a deadline.

8.3.3 The output of management review

The output of the review must include the decision and action related to:

- a) the improvement opportunity;
- b) all of the required changes in the halal management system;
- c) the need of resources.

The organization must keep the documented information as the evidence of the management review.

9 The Improvement

9.1 General

The organization must determine and select the opportunity for the improvement and conduct the required action to fulfill the customer need and increase the customer satisfaction.

This must include, as appropriate:

- a) improving the process to prevent incompatibility;
- b) improving the product to fulfill the halal requirement and the legislation;
- c) improving the result of halal management system.

NOTE The improvement can be conducted reactively (such as: corrective action), gradually (such as: continuous improvement), with the change step (such as: breakthrough), creatively (such as: innovation) or with the re-organization (such as: transformation).

9.2 Incompatibility and corrective action

9.2.1 When an incompatibility occurs, including the one that is resulted from complaint, the organization must:

- a) react on the incompatibility, as applicable:
 - 1) take action to control and improve;
 - 2) manage the consequence;
- b) evaluate the required action to eliminate the cause of the incompatibility, so that it does not recur or occur elsewhere, by:
 - 1) conducting the incompatibility review;
 - 2) determining the incompatibility cause;
 - 3) determining whether the similar incompatibilities have happened, or could potentially occur;
- c) conduct the required action;
- d) observe an effectiveness of the taken corrective action;
- e) make a change in the halal management system, if necessary.

The corrective action must be appropriate to the effect of an occurred incompatibility.

NOTE 1 in a number of cases, it is not possible to eliminate the cause of an incompatibility

NOTE 2 The corrective action can reduce the possibility of a recurrence at an acceptable level

9.2.2 The organization must keep the documented information as evidence of:

- a) an incompatibility nature and the action taken;
- b) the result of each corrective action.

9.3 Continuous improvement

The organization must continue to improve the conformity, adequacy and effectiveness of the halal management system.

The organization must consider the output from an analysis and an evaluation, as well as the output from the management review, to confirm if there are any areas of underperformance or opportunity that must be addressed as part of a continuous improvement.

As applicable, the organization must select and utilize the appropriate tool and methodology to investigate the cause of an underperformance and to support the continuous improvement.

Attachment (Informative) The Guideline of the Standard Use

A.1 General

The organization that has an intention to implement this standard must comply to the halal requirement for fulfilling the needs of the consumer, business and other stakeholders.

Based on the Al-Quran and Al-Hadith, Islam has vast specific laws (*ahkaam*) in categorizing the input, process and activity that include the product output in general into be allowed (*halal*) and not be allowed/forbidden (*haram*).

The law is implemented by the organization on the activity in producing the halal product.

The limitations that it states something is halal, which is declared by *fardhu'* (obligatory), allowable (recommended *mustahaboror* or *sunnah*), permissible (*mubah*), less preferably (*makruh*); and something that is prohibited (*haram*), are determined based on the legitimate laws.

In order to identify the problem related to the halal requirement, an organization conducts the identification of the halal critical control points which includes the document making as evidence that the halal requirement has been fulfilled.

The halal critical control point refers to the implementation of input study analysis, process and output of an organization and to determine the compatibility with the principles of halal and *haram*. The analysis covers all of existing resource, process, equipment and supporting activity in the specific scope of the halal management system. The recording analysis must be documented.

A.2 Determination of halal/haram compatibility

The process of halal and haram determination in an organization is conducted by the halal supervisor, follows the guidelines of Islamic law, as follows:

Table A.1 Definition of the Islamic Law

Halal				Haram
Obligatory (<i>fardu</i>) – that must be included and/or conducted	Recommended (<i>mustahaboror</i> or <i>sunnah</i>) – that should be included and/or conducted	Permissible (<i>mubah</i>) – recommended or not recommended	Less preferably (<i>makruh</i>) – that is disturbing and should be avoided, but not strictly prohibited	Invalid (<i>haram</i>) – strictly prohibited

The halal supervisor refers to various sources including Al-Quran and Al-Hadith, and the regulations issued by the government, as well as the *fatwa* of the Indonesian Council of Ulama (MUI).

A.3 Management responsibility

The top management is responsible to ensure the full conformity of the laws and the halal requirement of this standard on products made. The top management needs to define the responsibility to comply with laws and the halal requirement.

The top management needs to appoint managerial member of the organization as a halal supervisor. If needed, the organization can establish the halal management team in accordance to the type and size of the organization, complexity of the process and the interaction of halal product. Any problems arising from the implementation of the halal management system is consulted to the halal supervisor or management team management system's implementation must be consulted with the halal supervisor or management team. One example of the halal management organizational structure is shown in Figure A.1.

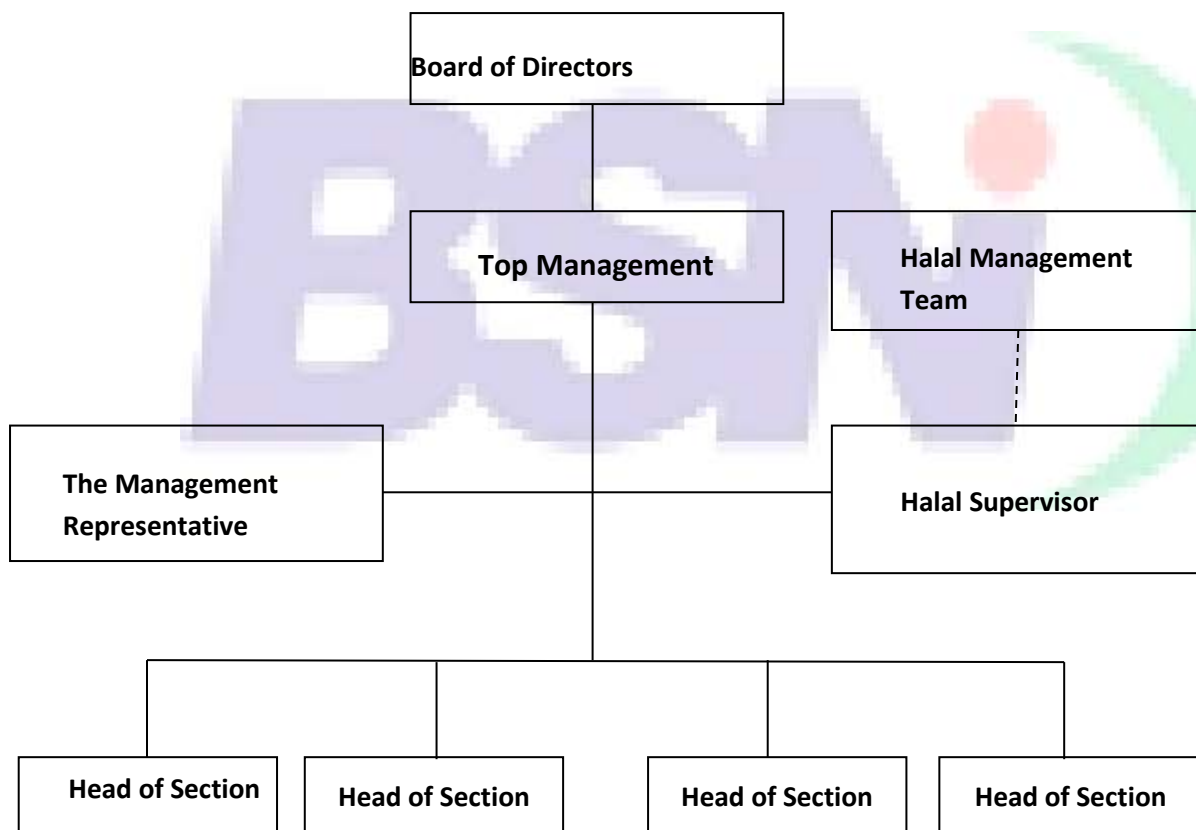


Figure A.1 Sample of Organizational Chart for implementation

Legend

- _____ Report directly
 Report indirectly

The top management needs to document the halal management systems plan. The documented plan should describe in outline how the organization aligns all aspects in compliance to the halal requirement.

The organization's halal supervisor must be a Muslim and has a broad knowledge, and understands the shari'a on *halal*-ness. The role and responsibility of the halal supervisor are:

- a. supervising the halal product's process in the organization;
- b. determining the corrective and prevention actions;
- c. coordinating the halal product process;
- d. accompanying the halal auditor of the halal inspection institution during the examination;
- e. ensuring the continuity of the halal requirements' compatibility in all daily activities within the organization; and
- f. reporting directly to the top management on issues including the incompatibility with the halal requirement.

If there is no halal supervisor that has the qualification in accordance to the requirement then the organization must ensure that the appointed personnel is provided with the training on halal requirement from the recognized competent authority.

The halal management team must have the required qualification and experience to provide advices on halal product-related issues. The evidence of the qualifications and experiences must be recorded.

A.4 The value of organization

Every personnel is an important part of an organization as each personnel plays the role in achieving the organizational goals. Competent personnel are able to take their organization towards success. However, competency alone is inadequate as their performances also depend on the appreciation and rewards as well as implementation of the practices of good values.

Personnel's main basic values such as: honesty, trustworthiness, integrity and responsiveness are important in the halal management system implementation. Personnel with good values are the backbone of the organization's success. However, their values must be aligned and harmonized with the organizations' values.

The organization's values play important roles in implementing the halal management system. These values are the similarity of beliefs of the values, norms, system, process and approach that are created or existed within an organization and unite the employees to work and interact in order to achieve the goal and mission of the organization.

The organization's values are very important as they provide the basic understanding, the binding element for all of the organization's members. The value reflects right and wrong, acceptable and not acceptable, tendency and undesirable, as well as tolerated and un-tolerated behavior and action in the organization. The value in each organization is very unique even, although the value is adopted from the organization partner in the same or different industry. The value will be shared together and will create the thoughts and perceptions of the organization's members.

In Islam, the shared value is based on an understanding of the One-ness of Allah SWT (God the Almighty) that is reflected with a harmonious relationship between affairs in the world and the life after death. The paradigm demands a person to spread the goodness (*amar ma'ruf*) and forbid the evil (*nahi munkar*), the two principles of a general nature but universal.

The top management needs to identify and document the accepted shared knowledge. The organizational values should be communicated and understood within the organization and internal as a part of the corporate culture through briefing and training.

The top management is responsible to supervise and ensure the implementation of the organization's values through assessments in the forms of survey, interview, and observation. The top management should measure the implementation level of the organization's values and determine the accurate measurement method; as well as review and discuss the measurement result for the further improvement.

The result of the effective shared values implementation will be directed by the organization towards the productivity achievement and higher profitability, and to improve the employees' skills and customers' satisfaction.

A.5 Resource management

The organization needs to conduct analysis of the required training that identify and plan the required training for equipping the personnel in implementing this standard. The training must be able to cover the understanding of the key principles of halal and haram in relations to the organizational core business. The training objective is to raise the awareness and competency among the personnel on the organization's activity, process, procedure, and issue in implementing the halal management.

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Supporting information related to the standard drafting

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