

CHAPTER I

INTRODUCTION

A. Background

As we have seen in the last few months that the public demand for importing packed food product is rising sharply. This is evidenced by the proliferation trend among adolescents and had even spread to adults to consume imported bottled food products. The imported packaged food products are extremely diverse, ranging from the Korean instant noodles (Samyang), peanut butter with chocolate (nutella), chocolate snacks with varied flavors (KitKat), dairy chocolates (Cadbury) and many other examples. This was triggered by the implementation of the Asean Economic Community (AEC) by the government. According to a research conducted by duniaindustri.com the year to year market average growth of packaged foods and soft drinks imported during 2013-2017 will be above the 10% . Overall, packaged food during that period will grow to an average 12.6% per year. Some foods that are synonymous with the lifestyle of the community middle class income is expected to grow higher, with include canned/preserved food (16.7%), frozen processed food (16.6%), ice cream (18%), and noodles (13 , 5%)¹.

In the era of modernization, countries and continents separated by distance will no longer have any obstacles in conducting trade transactions. This is what has been used by most manufacturers from abroad and importers to get more profit. The

¹ Suci Widyaningsih, "*Peta Persaingan dan Tren Market Leader*", accessed on <http://duniaindustri.com/downloads/riset-pasar-dan-data-industri-biskuit-2010-2016-peta-persaingan-dan-tren-market-leader/>, on December 23rd 2016

modernization era of globalization has sparked the emergence of a new marketing reality that utilises the network of information technology as a means of promotion and attracting consumers as already described by Philip Kotler and Kevin Lane Keller in his book *Marketing Management*².

Therefore, with the status of Indonesia as an Islamic country, or almost 90% of the total population, the Indonesian government should be more concerned about the assuredness of the products imported into Indonesia, especially packaged food products. More over to ensure the security and the comfort of their own need for a state agency charged with overseeing and ensuring the safety and comfort they should be performing the halal labeling or certification to ensure an all-halal label on all of those products. It can not be separated from their mandate of consumer protection act (Act No. 8 of 1999 on Consumer Protection) that is in Article 4, which says that “a consumer has a right to comfort, security and safety of goods and/or services”. And on this basis the government has finally established the Research Institute for Food, Drugs and Cosmetics called the Majelis Ulama Indonesia also known as MUI or the LPPOM MUI.

The research Institute for Food, Drugs, and Cosmetics, Indonesian Ulema Council, or the so-called LPPOM MUI is an institution under the Indonesian Ulema Council (MUI), which is an institution in charge of strong researching, reviewing, analyzing and deciding whether the products, including food and its derivatives,

² Philip Kotler-Kevin Lane Keller, *Manajemen Pemasaran*, 13th edition, 1st volume, page 15

medicines and cosmetic products are safe for consumption both in terms of health and in terms of the teaching of Islam that is halal, or permissible and good for the consumption of Muslims, especially in Indonesia. Besides The Indonesian Ulema Council gives recommendations, formulate rules and guidance to service community. The formation of LPPOM MUI is based on a mandate from the Government / state for the Majelis Ulama Indonesia (MUI), which lays an active role in mitigating the case of lard in Indonesia in 1988. LPPOM MUI was established on January 6, 1989 to carry out the inspection and certification of halal. In 1996, to strengthen its halal certification function, LPPOM MUI signed a Memorandum of Cooperation Agreement between the Ministry of Religious Affairs, Ministry of Health and the MUI. The memorandum of agreement was followed by the issuance of the Decree of the Minister of Religious Affairs (KMA) No. 518 of 2001 and No. 519 of 2001 KMA, which amplifies the MUI halal certification bodies and inspection / audit, the determination of the *fatwa*, and issuing halal certificates³.

Food safety hazards Including hazardous category "illicit or dubious" effect it did not seem as effects from contamination of chemical, physical and microbiological directly implicated in health problems. Danger on halal category implies a Muslim consumers peace of mind and once polluted it is inevitable effect sizeable losses both financial and consumer confidence in the products. Case lard

³ LPPOM MUI, "*Sejarah LPPOM MUI*", accessed on <http://mui.or.id/index.php/2009/05/08/sejarah-lp-pom-mui/> on December 23rd 2016

in 1988 and the case ajinomoto be a bad experience hard to forget for Muslim consumers and a lesson which is quite expensive for the importers and producers who want to do business in Indonesia.

The importance of the legal aspects of medicine and food halal labeling can be associated growing consumer demands, this matter is regulated by the government in both food legislation, consumer protection laws and regulations governing government is more technical. The certification of *halal* food products for the public consumption is one of the efforts of government protection of Indonesia's Muslim consumers. Apart from the standpoint of public belief, halal labeling on food products and drugs circulating in the community can show that food and drugs are also suitable for consumption by muslims or both non-muslims.

This is what has triggered some parties to examine more deeply about the role of the MUI as an official institution based on the Law of Food which has a duty to perform in the aspect of *halal* labeling of all products made and marketed in Indonesia⁴.

⁴ Andy Asmara, "*Kasus Lemak Babi dan Ajinomoto*" accessed on <https://khabarislam.wordpress.com/2008/10/23/kasus-lemak-babi-di-indonesia/>, on December 23rd 2016

B. Problem Formulation

Based on the description above, the problems once the discussions that will be discussed further in this paper are:

1. What is the role of LPPOM MUI on the implementation of halal labeling and certification of halal products especially for imported packs food products?
2. What is the Mechanism of LPPOM MUI for applying the Halal product labelization and certification particularly for the imported food packaging product?

C. Objective

Writing is used to fulfill the obligations we have as law students who will complete education in order to obtain a law degree, whereas when viewed from the formulation of the issues that have been raised the purpose of this research is:

1. To determine the role of LPPOM MUI on the implementation of halal labeling and certification of halal products especially for imported packs food products.
2. To determine the mechanism of LPPOM MUI for applying the Halal product labelization and certification particularly for the imported food packaging product.

D. Benefits of Research

The benefits derived from this study are as follows:

1. Theoretical Benefits

- a. Theoretically the results of this study are expected to develop the knowledge gained during the lecture at the Faculty of Law, Universitas Muhammdiyah Yogyakarta.
- b. To further enrich the knowledge of good writers in the field of law in general as well as in the field of commercial law in particular, and to find harmony between jurisprudence obtained in college with the existing practice field.

2. Practical Benefits

In practical results, this study is expected to be useful for the writer himself and can be a material to be considered for all parties involved in this case both the public, government, and law enforcement officers.