

Fiqh Approach in Halal Logistics Operation

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Abstract:

Currently, the rapid growth of the global halal industry is encouraging all nations to compete in halal production activities. Generally, halal food integrity revolves around unlawful (haram) issues and the risk of contamination including smell, taste and colour changes of the goods. These issues demand careful adherence by all parties including the suppliers, manufacturers, distributors, retailers, and customers. Needless to say, it involves movement and logistics services. Halal logistics can further be expanded to include halal logistics hub, halal logistics transportation, halal logistics route, and halal logistics management. Due to the progressive development of the halal global industry, there are various halal related issues specifically on the extension of the handling process of the halal related products from farm to fork. Thus, this study attempts to illuminate the issues in the scope of halal logistics and its integrity whereby the consideration of the Islamic principles and its requirements will be analyzed under the purview of Maqasid al-Shariah. It adopts a qualitative research methodology, whereby descriptive and explanatory approaches are used. This study believes Fiqh approach can serve as a benchmark to constitute a sufficient measure to address the issues properly.

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Introduction:

Conceptually, it is devoir to the Muslim to practice the Islamic principles in consuming Halal food. Yusoff and Adzharuddin (2017), argued that Islam has stringent rules with regards to food consumption. Hence, factors such as the ingredients, processing, manufacturing of the food play an important role in influencing a Muslim's consumer's choice. The governance of halal food and goods has been emphasized clearly in many verses in the Quran, specifically in An-Nahl surah, verse 114, with understanding that Allah asks all human beings to eat halal and good or healthy food and also reminds the believers to be grateful to Allah.

According to al-Ghazali (1986), choosing halal food as prescribed by Islamic legal rulings contributes to the positive development of one's spiritual and physical wellbeing. This signifies that all Muslims are prohibited to consume food which is

clearly prohibited as stated in the Quran. Apart from that, efforts should be made to avoid consuming *syubhah* (doubtful) food. The majority of Muslim consumers in Malaysia are aware of choosing and consuming halal products.

Due to the current information revolution which mostly relies on the role of social media, this awareness has easily increased and therefore, the information on halal consumption and purchase is more accessible to the consumers.

This makes them more conscious on halal related issues and selective towards the particular halal products and services available in the market. Therefore, most of the manufacturers and marketers grab the golden opportunities to employ the halal certification for their business by putting the halal logo on their packaging as reliable evidence to claim that the product is halal and subsequently increases consumer confidence and satisfaction.

LITERATURE REVIEW

The halal marketplace is arising in rapidly-growing and developing sectors in the world. The history of the halal food industry was initially started in the 1970s when the global food service organizations began to open food premises in Muslim countries. However, this halal industry had started in the year 1994 in which the halal status confirmation had certified with a halal logo awarded to the qualified companies. Next, on 30th September 1998, Ilham Daya company has been appointed in the purpose of halal inspections and at the beginning, in the year 2002 on the 1st September, the Department of Islamic Development Malaysia (JAKIM)'s Food and Islamic Consumer Products Division below the Jabatan Kemajuan Islam Malaysia has been mandated a big responsibility to observe all halal certification activities until today (Halal Malaysia Official Portal, 2019).

The evolvement of halal industry is mainly due to the higher demand year over year among the consumers regardless of religions. Simon Hearsey (2018) reported that the worldwide halal industry currently in US\$2 trillion and this will extend between US\$3 trillion and US\$4 trillion in the following five years. The Pew Research Centre (2017) has clarified a minor population of Muslims such as in several European countries has the potential to contribute to the international halal trade although they are not Muslim countries. This has been clearly mentioned by Salama (2018) that Australia has become the number one world rank in the processing and producing the halal meat-based products and got recognition as the most trusted supplier of halal meat to the worldwide.

Pertaining to this matter, the halal industry has been promising since it could generate a lucrative income for the developed countries (Hanifah, Rafeah, Zakiah, Zulaipa, and Munirah, 2017). There are several famous companies such as Adabi Consumer Industries, Ayamas Food Corporation, Aminah Hassan, Ramly Group, and Faiza Marketing Sdn. Bhd venture into the halal industries in Malaysia (Ruslan, Kamarulzaman, and

Sanny, 2018). These companies are also involved in various activities including processing, handling, preparatory progress, chemical preservatives, distribution, food service and beverages also contribute to the halal ecosystem. Based on this occasion, the halal industry market appropriately could be an effective tool to generate positive economic growth in particular.

There are two Malaysian standards namely MS1500:2019 on halal food and MS 2400:2019, Halal supply chain management system which focuses of Part 1: Transportation - General requirements (previously known as Halalan-Toyyiban assurance pipeline Part 1: Management system requirements for transportation of goods and/or cargo chain services) and Part 2: Warehousing - General requirements have been evolved by the Department of Standardization Malaysia DSM and adopted by the halal-certified logistics to ensure that the activities related to the halal logistics operation comply to the Shariah requirements. The implementation of both standards is under MS1900:2019, Shariah-based quality management systems. It is significant to note that the proper guidelines can consistently assure the halal products and services in following the Shariah requirements. Besides, these applicable regulatory requirements can improve consumer satisfaction through the valid application of the system (Malaysian Standard, 2019; Manual Procedure For Malaysia Halal Certification, 2014).

RESEARCH METHODOLOGY

This study is a qualitative study where it involves the use of resources from the library and websites. Several references are used, namely divine texts, al-Quran and al-Sunnah, classical books from the prominent jurists related to halal logistics industry, journal articles related to halal that draw insights based on information related to the area of discussion. The research also used online databases for social sciences such as ProQuest, EBSCO Academy Search Premier, EBSCO Business Source Complete, Science Direct, to name a few. Hence,

this research involved the combination of two or more various types of approaches namely descriptive, explanatory, critical and comparative approaches to analyse the views of the scholars pertaining to logistics operations.

RESULT AND DISCUSSION

Logistics management and Halal Logistics Issues in Malaysia

Logistics operation is one of the main driving forces to facilitate the growing demand for halal food. Absolutely, the development of the halal industry is a connection to the success of halal logistics (Hamid, Talib, & Mohamad, 2014) which covers halal logistics hub, halal logistics transportation, halal logistics route, and halal logistics management. The purpose of halal logistics is to secure the quality and integrity of the halal items or products from the beginning until it arrives at the end consumer. Halal logistics can determine the way in controlling the goods flows in a value system throughout the supply chain (MITRANS, 2012). According to Roslan, Rahman, Ahmad, and Ngadiman (2016), the awareness among consumers on halal products is significantly increasing and it gives a positive impact on halal logistics demand since Malaysia heading towards a Halal Hub and Halal Certification by JAKIM currently has been identified worldwide. This leads many Small and Medium Enterprises (SMEs) interested to offer halal transportation services to prove the integrity of the quality and hygiene standards on their halal services and in the meantime to boost consumers' confidence towards their services. However, there are three challenges commonly faced by the Halal Logistics Service Provider (LSP) companies to apply halal logistics namely halal certification, certified cleaning and halal practices (Mahidin, Othman, and Saifudin, 2016). Consequently, it can hinder the halal monitoring control on the halal logistic operation.

i. Halal certification

Mahidin et al. (2016) mentioned that halal certification issued by JAKIM is not compulsory,

but it is more to the encouragement and willingness basis. When the companies of Halal Logistics Service Provider (LSP) like to apply for the certificate, the documentation issue is a primary concern. Figure 1 shows the Malaysia Halal Certification Flow Chart process before any companies shall use halal logo by JAKIM. According to Syuhaida Idha, Mohd Dasuqkhi, Siti Khurshiah, & Nur Hidayah (2018), HDC recorded only less than 30% of 5400 certified halal companies are Bumiputera entrepreneurs, while the rest is non-Bumiputera. Most of them applying for halal certificate and willing to invest in cost and time by looking to the true value.

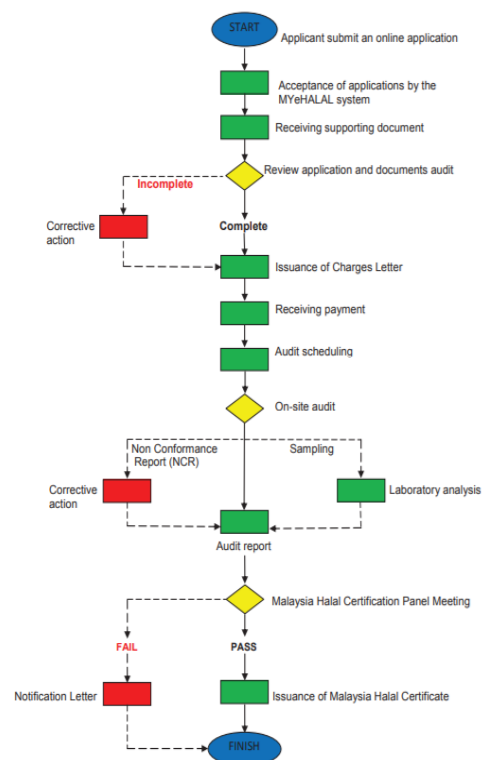


Figure 1: Process Flow Chart for Malaysia Halal Certification.

Source: Manual Procedure for Malaysia Halal Certification (Third Revision) 2014

ii. Certified cleaning

It is very important that the storage temperatures and procedures such as dry foods, dairy products, frozen foods, produces, and fresh meat need setting up an appropriate temperature control for food safety and avoiding hygienic issues, contamination and also impurities (*najs*). Based on the Manual Procedure

for Malaysia Halal Certification (2019) for instance, workers should wear proper attire and practice code of ethics and Good Hygienic Practices (GHP) as stated in the Food Hygiene Regulations 2009 to ensure the food is safe to eat through the efficient progress including the movement process, materials storage, and handling.

According to Noorsiah and Sariwati (2016), contamination will occur in any stage of the halal logistics process that depends on a contingency of disclosure, a period of contact, and regularity exposure onto the halal goods being carried. If contaminations occur with *najs mughallazah* (dogs and pigs including any molecule liquid and also objects discharged), the logistics operators need to be well prepared for remedial preventive and corrective actions to assure its *halal* status by performing *sertu* (Shariah ritual cleansing) procedure for contaminated transport containers that carry halal products (MS2400: 2019). To ensure the integrity of Shariah-compliant, the separation of containers for halal and non-halal items is a must. This situation clearly shows how certified cleaning can play a critical aspect to preserve the hygiene and halal integrity through appropriate transportation, storage and handling along the supply chain until the end of the destination. For ensuring all are under control, Shariah ritual cleansing called *sertu*, a cleansing procedure shall be part of the cleaning plan of the halal logistic companies that are purposely used for transporting containers carrying halal products (MS2400: 2010).

iii. Halal practices

There are some cross-contamination issues on food that need more attention from the perspective of Islamic law such as an intentional mislabelling, contamination of halal meat with pork and other non-halal materials, meat certification and illegal slaughter. Several studies have discussed the malpractice happened in the halal industry. A study carried out by Awal, Toby and Phil (2017) discussed the issues of mislabelling the product containing non-halal element such as pig blood and skin as halal

and this company had to apologize to its Muslim consumers. Furthermore, the authors highlighted a case related to the presence of porcine DNA in 'halal' savory beef pastry in another company where it was found that the products originally from a processing plant where non-halal and the halal item or products in question were processed using the same equipment. Similar cases were recorded in Malaysia where The Malaysian Quarantine and Inspection Service (MAQIS) confiscated four containers of pork mixed with a goat from Spain during a raid in Port of Tanjung Pelepas by (Nurul Amanina Suhaini, 2017). This could lead to the argument on the compliant issue of whether the meat was sold to the Muslim conforms to the halal standards. Another case was reported by Sim Y. H. when the Sorisso restaurant and Pizzeria Company in Kampung Kiarong, Brunei Darussalam has violated the halal Certificate and halal labeling 2005 rules by bringing in suspicious ingredients (Media Permata, 2017). Based on the following issues, the cross-contamination with the non-halal elements can happen if there is no proper control in the halal chain.

Indeed, the integrity in every aspect of halal food products must be upheld by all taking necessary steps wisely by all groups involved in the supply chain process to protect any cross-contamination that will lead the products to become non-halal. Concerning this, Zalina (2004) has urged Muslims to be selective on obtaining halal food. Thus, the essential elements in food selection include halal sources, usage of halal substances, processing method which are approved by the Shariah including the water and container for clean food preparation and ensuring clean premises and storage. For this reason, Halal logistics essentially act as a liaison between suppliers, manufacturers, retailers, and end-users to ensure the material flows and services throughout the supply chain are sustainable. Some issues remain unsolved even though that issuance of halal logistics certification has been done by JAKIM.

Maqasid al-Shariah as Fiqh Approach in Halal Logistics Operation

Ibn Asyur (2012) has defined the Maqasid al-Shariah as the meaning and pearls of wisdom that Shariah takes into account in whole or in most parts of cases of Islamic law which are not specific to any particular Islamic law. Imam al-Haramain al-Juwaini in his book *Ghiyats al-Umam fi al-Tayyats al-Zhulam* has expressed his concern over the issue of deterioration of Muslim civilization, especially in terms of intellectual and politic. He believes the way to solve the problem with developing universal Maqasid al-Shariah and lift in from *zhanni* (unclear) to the one aspect in Islamic legal maxims discussion until it is *qat'ie* (clear) status as principles of Shariah (Mufti of Wilayah Persekutuan, 2019). Abdelaziz (2006) argues that Shariah is about establishing and preserving human interest. In Islam, Islamic law (Shariah) provides the needed guidelines, basic values, and processes that are suitable to accomplish the best interest and benefit. As practical Shariah is a comprehensive law, the rich legal system had been introduced and developed by the Muslim scholars and jurists, particularly in the days of glory and this could balance civilizational development of the Muslim society. In later stages, this guided legal system came to be known as al-Fiqh al-Islami or Islamic law.

Muslim scholars have divided Maqasid al-Shariah by looking into three categories which are *dharuriyyah* (essential), *hajiyyah* (complementary) and *kamaliyyah* (desirable). These three categories under *maslahah* which consists of consideration to secure a benefit or prevent harm but are in the meantime, harmonious with the *Maqasid* (objectives) of the Shariah (Al-Ghazali, 1997). Since logistics operation is not discussed specifically in the Quran, most of the Quranic verses focus on the demand to obtain halal food and halal sources. However, the importance and necessity of halal understanding embedded from the Quranic verses are not just on food, but it is included in the logistic operations as well.

The halal standards in Malaysia are based on Islamic law in the school of Shafie and other schools such as Maliki, Hanbali and Hanafi agreed by Yang di-Pertuan Agong to be enforced in the Federal Territory, or the Ruler or Sultan of state-enforced such laws in their states or a fatwa endorsed by the authorities of the Islamic religion. For example in the case of contaminating with *najs*, the Malaysian standards of MS1500:2019 and MS2400:2019 defined *najs* as a) all types of dogs and pigs and their heirs, b) all halal food which contaminated with any non-halal or it directly contacts or dealing with any non-halal; c) any liquid and objects discharged from the orifices of human beings or animals such as urine, blood, vomit, pus, placenta and excrement, sperm and ova of pigs and dogs except sperm and ovum of other animals. Milk, sperm and ovum of human and animals, except dog and pig, are not *najs*; d) All types of carrion and also halal animals that are not slaughtered by follow the shariah law; and e) *khamar* (liquor) and any food or drink mixed with *khamar*. Thus, any goods, transported or stored which are mixed with *najs* prescribed above are considered as non-halal. In Islam, *najs* is categorized into three types which are:

<i>Mughallazah</i>	<i>Mukhaffafah</i>	<i>Mutawassitah</i>
Considered as severe <i>najs</i> which are dogs and pigs (<i>khinzir</i>) including any liquid and objects discharged from their orifices, descendants and derivatives.	Considered as light <i>najs</i> . The only <i>najs</i> in this category is urine from a baby boy at the age of two years and below who has not consumed any other food except his mother's milk; and	Considered as medium <i>najs</i> which does not fall under severe or light <i>najs</i> such as vomit, pus, blood, <i>khamar</i> , carrion, liquid and objects discharged from the orifices, etc.

The analyzes related to the cross contamination and the halal logistics depends on the Islamic

Jurisprudence understanding and the available SOP. This may lead to the differences in opinions and in the way Islamic Rulings are deducted when direct guidance or reference related to this specific matter, namely logistics management and control is not precisely covered. In this particular issue, the *ijtihad* (independent reasoning) of the Muslim scholars is applied, based on the relevancy.

For example, the books of *hukm tatrib* have mentioned that there are some arguments from the various schools of law on the use of soil pertaining to the ritual cleansing process of najas related to canines. The views are as follows:

- i- Imam Shafie school's opinion is that it is compulsory to apply seven washes and the first must use soil.
- ii- Imam Ahmad School permits the use of other than soil..
- iii- Imam Hanafi and Maliki schools claim that the use of soil is not compulsory.

The arguments from the schools of law may confuse if there is uncertainty to cater the cross-contamination issues in the logistics operation. Therefore, the importance of Maqasid al- Shariah in the light of logistics activities is to secure the values and integrity of halal food and logistics such as transportation, warehousing and retailing. In other words, understanding Maqasid al- Shariah can guide industries to adopt an appropriate mechanism to solve the problem in avoiding and managing the impurities in material flows. However, there is no specific guideline found in Malaysia to control the direction in halal logistics operation based on Maqasid al- Shariah guidelines.

RECOMMENDATIONS AND CONCLUSIONS

Based on the disputable scenario, this research believes that establishing halal guidelines which adhere to the principles of Maqasid al- Shariah in logistics operation with enforcement can monitor

and protect the importance of the main elements in Maqasid al- Shariah in halal logistics such as misconduct of the labeling status, avoidance, and management of impurities, ensure cleanliness, hygiene and also to avoid any cross-contamination. Based on the research output, three main aspects should be given the central focus and careful halal adherence. Firstly, the product should be free from any element of najas and it attains a halal compliant level of cleanliness. Secondly, the focus should be given to the halal management, in particular avoidance of the risk of contamination with non-halal products and how to purify it when contamination occurs. Finally, the people in charge of the halal logistics should be given proper Islamic halal training to enhance their knowledge and to ensure that they comply with the high quality of halal assurance. If these three aspects are incorporated as the main guidelines in halal logistics sector, it is expected that they contribute towards the progressiveness of the halal global industry as they may promote halal compliance and achieve higher quality adherence.

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