

# The Roles of the Halal Competent Authorities in Managing Issues and Challenges in Halal Certification for Cosmetic Products in Malaysia

Yuhanza Othman<sup>\*1</sup>, Muhammad Nizam Awang<sup>2</sup>, Hendun Abd Rahman Shah<sup>3</sup>

<sup>1</sup>Department of Law, Universiti Teknologi MARA, Cawangan Melaka, 75300 Melaka, Malaysia

<sup>2,3</sup>Faculty of Syariah and Law, Universiti Sains Islam Malaysia, 71800 Bandar Baru Nilai, Nilai, Malaysia

<sup>\*</sup>Corresponding Author

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## ABSTRACT

The Department of Islamic Development Malaysia (JAKIM) and the Department of Islamic Religion (JAIN), as halal competent authorities, administer and manage all halal affairs, mainly issuing halal certifications and regulating halal requirements for cosmetic products in Malaysia. JAKIM/JAIN guarantees that cosmetic product ingredients are processed and manufactured within halal requirements. However, several regulatory challenges facing entrepreneurs, including limited halal-certified raw materials, inadequate documentation, and auditing limitations, have impeded the effectiveness of halal certification, directly impacting the industry's growth and sustainability. This study aims to analyse the role of competent authorities and strategies in managing and addressing challenges in halal certification for cosmetic products. This study used a qualitative approach. We collected data through desktop research and interviews with JAKIM and JAIN from Selangor, Pulau Pinang, and Johor, experts in the halal cosmetic industry. Findings revealed that JAKIM/JAIN's robust certification framework, encompassing document reviews, on-site inspections, and surveillance audits, ensures compliance and halal integrity across the supply chain. However, the study underscores the need for streamlined processes, improved local sourcing, and better coordination to enhance efficiency. This research strengthens Malaysia's halal certification ecosystem by providing actionable strategies and ensuring sustainable growth in the halal cosmetics industry.

**Keywords:** Halal certification, JAKIM, JAIN, competent authority, cosmetic products.

## INTRODUCTION

Halal certification enhances the marketability of manufacturers, while consumers benefit from its purity, cleanliness, and absence of non-halal substances (Hashim et al., 2022). Halal certification also significantly impacts market reach (Rosli et al., 2024) when it offers a competitive edge in the industry (Derasit et al., 2020). However, to remain competitive, product owners and manufacturers must ensure that the supply chain meets halal requirements, from locating halal raw materials until the finished product reaches the buyer (Zainuddin & Shariff, 2016).

Halal certification covers various products, including food and beverage, pharmaceuticals, cosmetics, goods, food premises, logistics, slaughterhouses, OEMs, and medical devices. This study focuses on halal certification for cosmetic products. The halal market for cosmetic products has significant potential, second only to the halal food industry (Rahim et al., 2015). Forecasters predict the global halal cosmetics market will grow at a CAGR of 11.61%, from USD 47.76 billion in 2024 to USD 115.03 billion by 2032 (Fortune Business

Insights, 2024). At the same time, forecasters expect Malaysia's halal cosmetics market to grow at a CAGR of 9.11 per cent from 2023 to reach more than 8.5 billion U.S. dollars by 2032 (Statista, 2024). This indicates that the halal cosmetics market exhibits promising growth prospects (Bakar & Yatiban, 2024).

The growth of the cosmetics market received substantial support from the Department of Islamic Development Malaysia (JAKIM) as the competent authority to issue halal certification for cosmetic products. To issue halal certification, JAKIM, through its Halal Management Division (BPH-Bahagian Pengurusan Halal), manages halal affairs, which includes receiving halal applications, auditing halal application documentation, conducting field audits, and performing surveillance audits (MPPHM, 2020). JAKIM is committed to preserving the credibility and integrity of halal certification (Abdullah et al., 2021). JAKIM, through its strict control of halal certification applications, guarantees that the ingredients, processing, and manufacturing of cosmetic products are free of non-halal items (Nurcahaya et al., 2021). However, regulatory challenges pose significant issues for effective halal certification.

The regulatory challenges include the lack of halal local raw materials, which leads to highly dependable imported raw materials (Ismail et al., 2019; Sarpaneswaran et al., 2021), the lengthy document review queue (Ramlan et al., 2023) and the lack of manpower (Muhammad et al., 2020). Besides, the nature of cosmetic products, involving numerous ingredients and intricate production stages, makes it challenging to ascertain whether a product's ingredients originate from halal sources (Nordin & Radzi, 2021). Challenges in halal certification for cosmetic products cause application delays, affecting the market's lack of locally halal-certified cosmetic production (Nordin & Radzi, 2021). As of 2023, JAKIM issued the halal certification for cosmetic products to nine hundred holders (JAKIM, 2023), a relatively small number compared to the number of cosmetic products without halal certificates on the Malaysian market.

Studies that focus on the roles of JAKIM are limited. Halim and Salleh (2018) conducted the most recent study, which examines the role of JAKIM and JAIN in misusing halal labels. This study focuses on how parties with authority in halal labelling implement administrative actions, as outlined in halal manuals like the Malaysian Halal Standard MS1500:2009 and the Malaysian Islamic Development Department's Halal Manual. Another study conducted by Aziz et al. (2017) concerning the role of JAKIM as the governors of halal affairs. This study, however, focuses on finding the unclear status of JAKIM and the overlapping jurisdiction of JAKIM as the governors of halal certification. These two studies differ from the aim of this current study, which will analyse the roles of the competent authorities and strategies in managing and addressing challenges in halal certification for cosmetic products.

## LITERATURE REVIEWS

### A. Definition of Halal Cosmetics

The term cosmetic is derived from the ancient Greek word “kosmos”, which meant adornment (Power, 2010). The Control of Drugs And Cosmetics Regulations 1984 (CDCR), defines cosmetics as “any substance or preparation intended to be placed in contact with the various external parts of the human body (including epidermis, hair system, nails, lips and external genital organs) or with the teeth and the mucous membranes of the oral cavity with a view exclusively or mainly to cleaning them, perfuming them, changing their appearance or correcting body odours, protecting them or keeping them in good condition.” This definition covers the types and functions of cosmetics, indicating a progression beyond their original purpose of mere embellishment. The function of cosmetic products must be within the definition of cosmetics, like changing appearance, cleaning, perfuming, protecting, and keeping in good condition (Sharma et al., 2018).

The above definition neglects the halal requirement. Clause 3.4 of MS 2634:2019 defines halal cosmetics as those that contain ingredients approved by Sharia law and fatwa, excluding prohibited animal parts, najis, and human parts or their products, as well as toxic and harmful ingredients. Sharia law requires slaughter if it contains animal parts and prohibits the preparation, processing, or manufacturing of these products using instruments contaminated with najis. This definition encompasses all aspects of the cosmetic product

manufacturing process, beginning with the raw ingredients, the formulation and production, and the equipment used for cosmetic product storage. The definition also aligns with the concept of *halalan toyyiban*, which pertains to the quality of cosmetic products in terms of smell, cleanliness, freshness, beneficial properties, nutritional quality, naturalness, and purity, irrespective of the preparation, processing, or presentation methods.

## **B. The competent authority for halal certification for cosmetic products**

Order 2 of the Trade Description (Certification and Marking of 'Halal') Order 2011 appoints JAKIM and JAIN as the competent authority to issue halal certification for products and services under procedure 4 of the Malaysian Halal Certification Procedure Manual (Domestic) 2020 (MPPHM). In 2018, JAKIM expanded the Halal Hub Division into two main divisions: the Secretariat of the Malaysian Halal Council (MHM) and the Halal Management Division (BPH). As the competent authority, JAKIM, through its BPH, controls and administers halal certification affairs (Halim et al., 2024). BPH can grant accreditation for halal products and services and manages all halal certification operations, including inspection of product and premises certification application documents, product and premises auditing, issuing halal certificates, and monitoring and enforcement.

BPH JAKIM collaborates with the BPH in each JAIN on all matters concerning halal certification. Alongside BPH, JAKIM, the BPH of JAIN, is the official entity tasked with supervising and managing halal certification applications within the state (Abdullah et al., 2021). Regardless of the product's manufacturing state, JAKIM's MYeHALAL e-application systems are the sole pathway for submitting halal certification applications (Arif et al., 2019). The development of the MYeHalal system will streamline all halal certifications in Malaysia and consolidate all data within a single database (Arif et al., 2019). If the state cannot process the application for a specific product scheme, access system to that state will be restricted, and JAKIM will be notified to take over the handling of the matter (BPH JAKIM, personal communication, 2022). The state cannot process the application because it lacks the necessary experts and facilities to carry out a specific scheme, such as the application for the halal certification of pharmaceuticals and the central kitchens within the food and beverage products scheme (BPH JAKIM, personal communication, 2022).

## **C. The National Pharmaceutical Control Bureau (NPRA)**

The Sale of Drugs Act 1952 and CDCR appointed NPRA as the custodian of the act and the regulatory authority for the pharmaceutical and cosmetic industries. Despite not having jurisdiction over halal-certified cosmetic products, the role of NPRA is critical in determining halal certification applications. Cosmetic companies must adhere to all legal frameworks set forth by the NPRA regarding cosmetics and ensure they have achieved an acceptable GMP status from the NPRA before seeking halal certification (Masood & Zaidi, 2021). Cosmetic companies also must notify NPRA of their products. The cosmetic company can apply for halal certification after receiving a notification note and consistently satisfying GMP requirements (Masood & Zaidi, 2021).

## **D. The reference documents of halal cosmetic products**

In Malaysia, both general and specific laws, such as the MPPHM, Malaysian Halal Management System (MHMS), Malaysian Standard Halal Cosmetics (MS 2634: 2019), the Trade Descriptions Act 2011 and its Orders, fatwas, and Malaysian Halal Certification circulars, regulate halal certification. The manufacturers and product owners must observe all these references to demonstrate their adherence to halal certification requirements.

### **1. Malaysian Halal Certification Procedure Manual (MPPHM)**

MPPHM, developed by JAKIM, is the primary reference for halal certification. MPPHM outlines comprehensive guidelines and requirements for applicants and regulatory authorities (Anuar & Tukiran, 2022).

First introduced in 2005 and revised multiple times, the latest 2020 edition replaced all previous versions, consolidating 14 sections that address key aspects such as definitions, application processes, and monitoring activities. MPPHM applies to various sectors, including food, cosmetics, pharmaceuticals, logistics, and medical devices (Razak et al., 2021). It mandates strict compliance with halal standards throughout production, with non-compliance leading to suspension and withdrawal of certification or freezing of MYeHALAL accounts (MPPHM, 2020). For cosmetic products, specific guidelines are detailed in procedure 4.2 of MPPHM, requiring companies, including those operating under OEM schemes, to meet regulatory conditions before certification. Compliance with MPPHM ensures halal integrity, with continuous adherence required even post-certification.

## **2. Malaysian Halal Management System (MHMS)**

MHMS replaces Guidelines for Halal Assurance Management System of Malaysia Halal Certification 2012 to enhance halal certification procedures and align them with Malaysia's regulatory framework. It introduces distinct requirements for the Internal Halal Control System (IHCS) for small and micro industries and the Halal Assurance System (HAS) for large and medium industries. MHMS 2020 integrates critical components like a halal policy, internal audits, traceability, risk management, and raw material control to ensure halal compliance throughout the supply chain. According to MHMS, large and medium industries must implement HAS, which includes appointing a Halal Executive, forming an Internal Halal Committee (JKHD), and conducting thorough laboratory analyses. Meanwhile, small and micro enterprises must focus on IHCS, developing halal policies and control procedures tailored to their scale. Both systems emphasise halal integrity via traceability, audits, and risk management plans while distinguishing halal-specific hazards (HCP) from general safety protocols (HACCP). MHMS 2020 also requires halal personnel training, including laboratory analysis and compliance monitoring provisions. Its comprehensive structure underscores the critical role of documentation, management, and continuous improvement in achieving and maintaining halal certification standards.

## **3. MS 2634:2019 - Malaysian Standard of Halal Cosmetics: General Requirements (First Revision) (MS 2634: 2019)**

MS 2634:2019 replaced the earlier MS 2200-1:2008, introducing significant changes in the title, terminology, and requirements to ensure clarity and compliance with halal integrity. Developed by the Working Group on Halal Cosmetics under the Industry Standards Committee on Halal Standards, it incorporates the definition of cosmetics from the Control of Drugs and Cosmetics Regulation 1984 (CDCR) while establishing comprehensive guidelines for producing and managing halal cosmetics. The guideline introduces the implementation of a halal built-in approach in halal cosmetic production.

The halal built-in approach integrates halal requirements into the control and management system of cosmetic products, starting from the preparation of research and development of the product formulation, the selection of raw materials, the production process, and the delivery of the final product (MS 2634:2019). Implementing the halal built-in involves constant compliance with halal regulations that lead to product safety, efficacy, performance, quality, and hygienic conditions in the company's production process, management, and control system (Draman et al., 2019).

## **4. The Trade Descriptions Act 2011 (TDA, 2011)**

TDA 2011 is Malaysia's primary legislation governing halal certification, replacing the Trade Descriptions Act 1972, which had significant deficiencies in managing and enforcing halal certification. Under TDA 2011, the Ministry of Domestic Trade (KPDN) introduced the Trade Description (Definition of 'Halal') Order 2011 and the Trade Descriptions (Certification and Marking of 'Halal') Order 2011, empowering JAKIM and JAIN to oversee halal certification and standardise the halal logo. TDA 2011 broadened the scope of halal certification beyond food to include cosmetics, pharmaceuticals, logistics, and other sectors while emphasising



product safety and integrity. The Act modernised halal certification, aligning it with contemporary trade practices, enhancing regulatory enforcement, and fostering ethical commerce in Malaysia.

## 5. Syariah enactments

Halal certification in Malaysia is also governed by Syariah legislation, which addresses the misuse of halal logos or their unauthorised use without approval from JAKIM. Since Syariah laws fall under state jurisdiction, their enforcement and administration vary across states. While some states remain silent on halal logo abuse, others classify it as a violation of Syariah Criminal Law, as seen in enactments such as the Syariah Criminal Offences laws in Pahang (2013), Selangor (1995), the Federal Territories (1997), Melaka (2002), and Johor (2003). States in Malaysia that lack specific Syariah Criminal Offences provisions addressing halal logo abuse will refer to federal laws such as the Trade Descriptions Act 2011, the Consumer Protections Act 1999, and other relevant laws.

## 6. Fatwa

A fatwa is a legal opinion issued by Islamic scholars in response to a query about religious or worldly matters (Jamaludin et al., 2012; Mehmood, 2015). It serves as a guiding verdict grounded in Islamic law (Sharia) and is referenced in Quranic verses that emphasise seeking knowledge and advice on new issues (Mehmood, 2015). Fatwa help regulate Muslim conduct and align contemporary issues with Islamic principles. Fatwa also addresses various issues, including ethical guidelines for cosmetics, such as prohibiting harmful or prohibited animal parts and human placentas, except in emergencies for medical purposes (Hisham et al., 2024; Irsyad Fatwa, 2019).

In Malaysia, fatwa institutions operate at both federal and state levels. The federal fatwa from the Federal Muzakarah National Fatwa Committee (MJFK) provides non-binding national guidance (Ahmad, 2022), while state fatwa is binding within their territories if the fatwa is a gazette and is issued by muftis and can be a reference in Syariah courts (Chiroma et al., 2014; Adil, 2015).

## 7. Malaysian halal circulars

A circular is an official document issued to provide guidelines, policies, or practices, often by government agencies or authoritative bodies, and its legal effect depends on the legislation under which it is issued. In Malaysia, JAKIM is responsible for issuing circulars related to halal certification, requiring compliance from all parties involved. These circulars communicate updates, such as changes in procedures or regulations, to halal certification recipients and applicants. For example, Circular No. 2 of 2020 introduced the Malaysian Halal Certification Procedure Manual 2020 and the Malaysian Halal Management System 2020, replacing previous guidelines. Similarly, Circular No. 1 of 2020 mandated the Halal Certification Agreement (HCA) as part of ISO/IEC 17065 accreditation requirements, binding certificate holders to specific terms, including peaceful dispute resolution through the Malaysian Halal Appeal Panel. While such agreements aim to align with accreditation standards, they are not considered legally enforceable contracts, serving instead as memorandums of understanding to ensure compliance.

## RESEARCH METHODOLOGY

The study aims to analyse the role of JAKIM and JAIN in managing and addressing challenges in halal certification for cosmetic products. This study employs a qualitative methodology utilising a desktop study to search for literature from library resources such as online databases, textbooks, journal articles, and government documents to examine the references and the roles of BPH in managing halal certification for cosmetic products. Additionally, this study conducted comprehensive interviews with officers from BPH JAKIM, BPH of JAIN from Johore, Pulau Pinang, and Selangor, as well as halal experts in the cosmetic industry. This interview aims to acquire a more practical understanding of the role of competent authorities,

their perspectives on the challenges in the halal certification industry, and the strategies that BPH employs to overcome those challenges.

All interviews were conducted through a cross-sectional study, adhering to ethical protocols. The interviews were performed online, with the majority lasting one hour. The following is the summarisation of the informants:

TABLE I LIST OF INFORMANTS

Informants and Coding	Sector/agency
HE1	Halal industry expert
HE2	Halal industry expert
BPH JAKIM	Senior Assistant Director, Halal Management Division, Department of Islamic Development Malaysia
BPH Johore	Syariah officer, Halal Management Division, Johore Department of Islamic Religion (JAIJ)
BPH Penang	Assistant Director, Compliance Audit section, Halal Management Division, Penang Department of Islamic Religion (JAIP)
BPH Selangor	Officer, Research and Development Division Selangor Department of Islamic Religion (JAIS)

This study utilised a triangulation strategy to ensure the reliability of the data by incorporating document analysis, interviews, and observations. Document analysis involved systematically examining physical and digital documents, including materials from online databases, textbooks, journal articles, halal references, legislation and web sources, to explore halal certification affairs. Interview analysis followed a rigorous protocol where interviews were recorded, transcribed promptly, and analysed thematically using an inductive methodology. Atlas-ti software facilitated the coding and categorisation of data into themes through a detailed process involving coding, grouping, and combining codes to identify relevant topics, ensuring comprehensive and credible study outcomes.

## DISCUSSION AND FINDINGS

JAKIM, through its BPH, plays an important role in managing halal certification for cosmetic products in Malaysia. The MPPHM has prescribed stringent procedures that bind the holders of halal certification to comply and the competent authorities to observe their roles and duties. As the competent authority for halal affairs, BPH's roles and responsibilities extend from policy enforcement to offering strategic solutions to ensure compliance with halal standards. The following are the roles of BPH JAKIM/JAIN in managing the halal certification for cosmetic products:

### A) Document adequacy audit

BPH conducts a document adequacy audit after the applicant has submitted all required documents for the halal cosmetics application (Harun et al., 2023). Before proceeding to site inspection, the document auditors must meticulously review the document, examining each ingredient and menu item individually to confirm their halal status (Harun et al., 2023). This audit shall ensure that each ingredient has sufficient documentation to demonstrate its halal status and the company's legal eligibility to obtain halal certification.

The documentation would depend on the categories of ingredients in cosmetic products. There are three categories of ingredients used in cosmetic products: critical, semi-critical, and non-critical (BPH Penang, personal communication, 2022). MPPHM, MHMS, and MS 2634:2020 are silent about categorising cosmetic ingredients. Unidentified animals, animals slaughtered in an unknown manner, and ingredients produced with prohibited processing aids or contaminated with impure substances qualify as critical ingredients (Hussaini

et.al., 2024; Sugibayashi et al., 2019). Semi-critical is a natural substance that has undergone a process, and non-critical is a natural substance that has not undergone one (BPH Penang, personal communication, 2022).

MPPHM mandates that each critical ingredient must be supported with halal certification to ensure its source is safe and harmless to humans (MPPHM, 2020). For instance, collagen and gelatine are the critical ingredients that are derived from the animals and must be accompanied by a halal certificate, a laboratory analysis report, and technical documents, including product specifications, product descriptions, material safety data sheets or technical data sheets (BPH JAKIM, personal interview, 2022). The applicants must also send product samples to Jabatan Kimia Malaysia (JKM) before applying for halal certification.

However, the halal certificate is not compulsory for non-critical ingredients. If a non-critical ingredient lacks halal certification, the applicant must furnish technical documentation such as Material Safety Data Sheets (MSDS), Certificate of Analysis (COA), product specifications, and raw material flow charts for each non-critical ingredient utilised in cosmetic products (MPPHM, 2020). This flexible approach could reduce the burden on the applicant because each cosmetic product contains hundreds of components, and not all cosmetic ingredients are halal certified.

### **B) On-site audit**

If the officer in charge is pleased with the documents supplied, the applicant will get an email requiring payment of administrative costs within 14 days of the email's date (MPPHM, 2020). Once the applicant has paid the fees, BPH will add their name to the audit list and notify them of the date of the field audit. A field audit is conducted to verify the implementation of halal built-in as documented and to ensure that everything indicated in the system is carried out consistently with cosmetic manufacturers' daily operations (BPH Johore, personal communication, 2022). Each information must be consistent with the implementation (BPH Selangor, personal communication, 2022). The field audit will also confirm and inspect the system evaluation, shariah compliance, ingredients, supporting documents, and finished products (MPPHM, 2020).

Two officers from the technical and Sharia departments will go to the applicant's factory to conduct an on-site audit (Harun et al., 2023). They have a right to access the entire premises, interview any relevant party, and take photos, copies of documents, and samples (MPPHM, 2020). Cosmetic manufacturers must not hide any information that could endanger Halal. If the company conceals pertinent product information, it hinders the officer from performing the audit.

After conducting on-site audits, the auditor must write reports, send them to the company and applicants for safekeeping, and follow up (MPPHM, 2020). The auditor will recommend that the company be eligible for halal certification to the Malaysian Halal Verification Panel (PPHM) without needing a Non-Conformance Report (NCR) (MPPHM, 2020). The auditor may issue an NCR if the applicant violates MPPHM, MHMS, and MS 2634: 2019 requirements. The applicant can request an extension from the competent authority to respond to the NCR within 14 days. If the NCR is concerned with ingredients, BPH will request more halal certification documents (BPH JAKIM, personal interview, 2022). After the organisation resolves all NCRs, the auditor will suggest an application to the Malaysian Halal Certification Panel. According to MPPHM, MHMS, and MS 2634:2020, the Halal Certification Verification Panel can approve, deny, remove, resubmit, or freeze the applicant's account for halal certification.

### **C) Halal verification audit**

The halal verification audit is the final evaluation before issuing halal certification to the applicant. A halal verification audit follows the document adequacy and on-site audit. The halal verification audit is also known as an external audit (Mohamad & Othman, 2009). This is because independent external auditors carry out the halal verification without direct or indirect interest in any halal certificate application (MPPHM, 2020). The halal verification audit involves a systematic and impartial procedure of document examination and evidence-based field assessment (Mohamad & Othman, 2009). The Halal Verification Panel is authorised to assess,

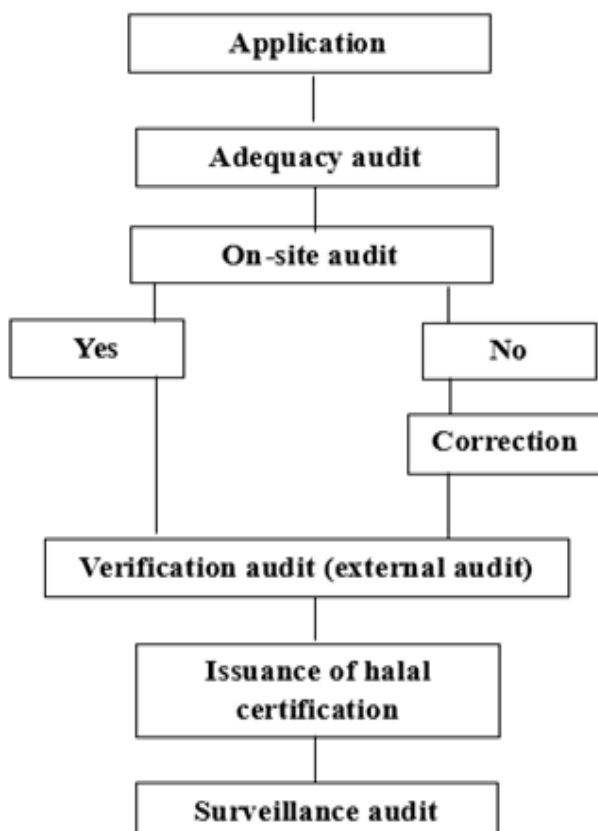
scrutinise, and render determinations regarding a pass, conditional pass, failure, re-audit, or remember (KIV) (MPPHM, 2020).

#### D) Surveillance audit

Surveillance audits will verify continuous compliance with halal certification. The audit will confirm that the holder of the halal certification has developed the HAS and implemented halal standards throughout the production process (Shafii et al., 2018). BPH will conduct a monthly or periodic monitoring or follow-up audit on the production of halal certification holders (MPPHM, 2020). The periodic monitoring audit will examine halal certification holders' compliance with MPPHM procedures, rules, and regulations. For new halal certification holders, BPH will conduct a periodic audit six months after the company receives halal certification (MPPHM, 2020). Meanwhile, for existing halal certification holders, BPH will audit every two years. If BPH has recently conducted a field audit on this company for a new product's halal certification application, a periodic monitoring audit will be conducted between three and six months later (BPH JAKIM, personal interview, 2022). The competent authority may conduct periodic monitoring audits without disclosing the date and time. Since the company is halal-certified, this monitoring audit will cover farm-to-fork (BPH Selangor, personal communication, 2022).

Auditors will check halal compliance across the supply chain, including the internal halal control system, ingredients, equipment, processing instruments, packaging, labelling, sanitation, and waste management. Surveillance audits require halal certification holders to integrate halal regulations into their daily operations. The auditors will also ensure documentation and the implementation of all halal requirements in MPPHM, MHMS, and MS2634: 2019. The monitoring audit examines how halal certification holders have implemented halal requirements in their operations and manufacturing (BPH Selangor, personal communication, 2022). Through these surveillance audits, companies can maintain the integrity of the certification process and uphold the values of honesty and continuous commitment of halal certification holders to uphold the highest standards of halal practices.

Figure 1 summarizes the roles of JAKIM and JAIN in both internal and external audits:





The above discussion on the roles of the competent authorities revealed that they have conducted comprehensive audits of adequacy documents, on-site audits, and surveillance audits to ensure continuous compliance and evaluate the implementation of halal practices throughout the supply chain. However, multiple challenges persist in the cosmetics industry, centring around raw material sourcing, regulatory compliance, inadequate documentation, and audit disparities. The halal cosmetics industry faces the following persistent challenges:

## **1. Challenges in halal certification for cosmetic products**

The halal certification of cosmetics is a complex process, primarily due to the industry's diverse and intricate nature of raw materials and manufacturing practices (Ismail et al., 2019). MPPHM requires halal raw materials to be used as an ingredient in cosmetic products. However, halal cosmetic manufacturers (HCM) face limited availability of locally sourced halal-certified raw materials, forcing manufacturers to rely heavily on imported ingredients (BPH Penang, personal communication, 2022; Othman et al., 2022). This dependency introduces significant challenges in traceability and documentation, as many foreign suppliers lack understanding and comprehension of the halal aspect (HE1, personal communication, 2022).

The process of obtaining halal certification for the cosmetic products industry is time-consuming. Sometimes, for the new application, it may take up to six months for JAKIM to issue the halal certificate (HE1, personal communication, 2022). This delay, particularly for products with critical ingredients, hinders manufacturers' ability to meet consumer demand for new products, potentially driving consumers toward non-halal alternatives.

While stringent documentation requirements, such as halal certifications for animal-based ingredients, detailed flowcharts, and technical data sheets, are essential for maintaining halal integrity, many manufacturers struggle to meet them. Supplier inefficiencies and delays in providing required documents further complicate the process, with some applications taking one to two months longer than expected (BPH Penang, personal communication, 2022).

Additionally, laboratory tests conducted by BPH, necessary when documentation is incomplete or questionable, can extend the process by another two months (BPH Johore, personal communication, 2022). Despite a fast-track option for non-critical products and companies on BPH's whitelist, the overall process remains misaligned with the cosmetics industry's rapid pace, impacting the competitiveness of halal-certified products in the market (HE2, personal communication, 2022).

Furthermore, Halal Cosmetic Manufacturers (HCM) face challenges in obtaining information about ingredients prohibited by JAKIM, as such details could guide other applicants in avoiding those prohibited ingredients (HE1, personal communication, 2022). The MYeHALAL system only offers details about companies, product names, and factory information while restricting access to product-specific information, certificates, and ingredient lists. This limitation creates difficulties for HCM, especially new applicants, in identifying which ingredients have been used, approved, or deemed acceptable by HCM.

Moreover, Malaysia's regulatory frameworks governing halal certification are resource-intensive and contribute to lengthy processing times (BPH JAKIM, personal interview, 2022). On-site and surveillance audits, critical to maintaining halal integrity, require significant manpower and financial resources. BPH JAKIM and JAIN lack the manpower to perform either documentation, on-site or surveillance audits (BPH JAKIM, personal interview, 2022). Sometimes, on-site and surveillance audits involve the same auditors, thus affecting the lengthy halal certification timeline (BPH Penang, personal communication, 2022).

## **2. Strategies in addressing challenges in halal certification for cosmetic products.**

HCM must ensure that animal-derived raw materials are halal-certified, while non-animal raw materials require detailed documentation if not certified. If BPH finds questionable ingredients in a product and the

applicant fails to provide adequate verification, BPH will request the product's withdrawal from the halal certification process (BPH JAKIM, personal communication, 2022). For instance, if an applicant submits a halal certification application for six products, two of which contain questionable ingredients, BPH will request the removal of the products with the questionable ingredients, allowing the certification process to proceed with the remaining items (BPH JAKIM, personal communication, 2022). This allows HCM to secure a halal certificate for products with no ingredient concerns, and it also provides HCM with the opportunity to address any issues related to products with questionable ingredients, after which they can pursue a halal certificate.

In addition, BPH advises HCM to research halal ingredients and confirm that suppliers can provide halal certificates or supporting documents before purchasing (BPH Selangor, personal communication, 2022). If a supplier cannot meet these requirements, HCM must switch to another supplier (BPH JAKIM, personal communication, 2022). An SOP for raw material procurement should be established, highlighting the halal requirement to demonstrate readiness for obtaining a certification (BPH Selangor, personal communication, 2022).

BPH recognises the challenges in sourcing halal-certified ingredients, especially from international suppliers, and the difficulty of obtaining halal certificates and supporting documentation. While the MYeHALAL system lists companies, product names, and factory details, it lacks detailed product information, certificates, and ingredient lists. However, BPH's expertise in managing halal certification applications enables them to identify specific ingredients in cosmetic products submitted for certification. For applicants, especially new applicants, identifying approved ingredients can be difficult. Therefore, the industry should establish ingredient data banks to verify raw materials and assess their suitability for halal certification (BPH Johore, personal communication, 2022).

The issue of a shortage of officers has been a persistent problem for a long time and continues to be a major topic of discussion. The lack of manpower to conduct the audits has led to a backlog of applications and delays in halal certificate approvals, which require immediate attention. This study suggests that JAKIM collaborate with NPRA to address the shortage of technical personnel, leveraging the close relationship between the two bodies. Since NPRA oversees product safety for cosmetics before halal certification, a partnership could facilitate joint audits and post-market surveillance under the National Blue Ocean Strategy. By entering a memorandum of understanding, JAKIM could leverage NPRA's technical expertise and Ministry of Health resources to enhance the halal certification process and ensure efficient audits and product safety compliance.

Besides, the industry expressed dissatisfaction with JAKIM's prolonged handling of the halal certification issue. However, JAKIM recently announced that obtaining a halal certificate takes 30 days (JAKIM, 2024). JAKIM is taking this initiative to align the halal certificate with the advancements in the cosmetics industry. However, the industry's cooperation is necessary to accelerate this timeframe. The industry needs to improve its understanding of procedures and documentation related to halal certification. In addition, BPH JAKIM and JAIN need to streamline procedures, SOPs, and audit management procedures to close existing loopholes and inconsistencies.

## CONCLUSIONS

JAKIM and JAIN serve as a cornerstone in the halal certification process for cosmetic products in Malaysia. Their efforts, which include rigorous documentation reviews, meticulous on-site inspections, verification audits and ongoing surveillance audits, underscore a robust commitment to maintaining halal integrity across the supply chain. Despite these commendable efforts, the industry faces persistent challenges. Among these are the limited availability of halal-certified raw materials locally, a high dependency on imported ingredients, inadequate documentation from applicants, and the resource-intensive nature of audit processes. These issues hinder the efficiency and effectiveness of halal certification, affecting the growth potential of Malaysia's halal

cosmetics industry. BPH of JAKIM and JAIN alleviates the challenges faced by HCM by offering guidance and outlining the correct procedures HCM should follow when applying for the halal certificate, particularly when issues concerning ingredients and documentation arise. These proactive measures aim to enhance the efficiency and credibility of halal certification, fostering sustainable growth in the halal cosmetics industry while meeting the evolving demands of the global market.

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