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Certification Program for Micro, Small, and Medium Enterprise Products Halal Seafood: Training and Mentoring in Sukolilo Baru Subdistrict, Surabaya

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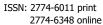
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Abstract. The seafood processing business group in Sukolilo Baru, Kenjeran, Surabaya consists of 43 units. Among these, 29 units are household-scale seafood processing businesses and seafood product retail shops. Following the Covid-19 pandemic, these entrepreneurs are striving to restore their businesses' turnover to pre-pandemic levels. Hence, they require training and mentoring as a follow-up to the community service program previously conducted by the community service team. The achievements of the team's previous community service program include: improved product packaging skills, labeling and branding of products, as well as the issuance of Business Identification Numbers (NIB) and suitability certifications for householdscale businesses to the entrepreneurs. The ongoing community service activities currently include training, mentoring, and halal certification registration. These activities aim to enhance the marketability of the partners' products. The partners in this community service endeavor are residents in the area engaged in seafood processing businesses. Participants are involved in three activities: pre-community service preparation, community service implementation, and post-community service follow-up (monitoringevaluation). Preparation activities are realized through preliminary studies involving pre-surveys to evaluate the conditions and readiness of the entrepreneurs. Implementation activities include: (1) training on the importance of halal certification, (2) mentoring and practice in filling out halal certificate registration forms using the Si Halal application, BPJPH Kemenag, and (3) evaluation of the process of these activities. This evaluation is conducted to understand the extent of understanding of halal certification for Micro, Small, and Medium Enterprises (MSMEs).

Keywords: halal certificate, seafood MSMEs, post-Covid-19

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INTRODUCTION

Business owners, particularly in Surabaya, play a significant role in strengthening the national economy. They create various opportunities by producing creative and distinctive products, contributing to economic growth. However, their development tends to be sluggish, partly due to limited market access, especially following changes in consumer behavior influenced by the COVID-19 pandemic. Presently, consumers prefer the convenience of online shopping.

In the Sukolilo Baru area of Surabaya, micro and small-scale entrepreneurs engaged in seafood processing lack understanding of the importance of halal certification and its application process. This poses a barrier to expanding their product market into wider marketing realms and entering modern retail markets. Despite some having distribution permits and P-IRT (Home Industry Production Permits), without halal certification, they struggle to penetrate larger markets.

Even though these MSME products are unique, without halal certification, their marketability in the seafood processing industry is limited, and MSME entrepreneurs miss out on opportunities in the market. They solely rely on consumers who visit their stores and cannot meet consumer preferences for shopping or entering modern retail because they lack the required certification. This certification is crucial as a guarantee of product halalness, considering the risks associated with the process of converting raw materials into products sold to consumers (Nugrohadi & Ardhanari, 2023).

Sukolilo Baru, as part of Bulak Sub-District in Surabaya, has been a partner of Widya Mandala Catholic University Surabaya in community empowerment activities since 2013. This collaboration signifies the commitment of Sukolilo Baru and Widya Mandala Catholic University Surabaya to work together in empowering community groups in the area.

Sukolilo Baru is a hub for the seafood processing industry in Surabaya. Observations of MSME entrepreneurs indicate low interest in obtaining halal certification. Lack of information, especially regarding application procedures and required documents, is a major factor contributing to this low interest. Therefore, this community engagement activity aims to provide mentoring to entrepreneurs, particularly in obtaining halal certification, to enhance their quality.

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PROBLEM

The issue faced by seafood processing MSMEs in the coastal areas of Surabaya is the low understanding of the importance of halal certification for their products. This lack of understanding results in uncertified products and hinders their marketing penetration into modern retail and online marketplaces. Additionally, these micro and small-scale entrepreneurs have very low digital literacy, making halal certification necessary for their products.

METHOD

Community engagement activities in the Sukolilo Baru area involve several essential stages. The initial stage includes pre-activities such as preliminary studies and observations to understand feasibility and identify MSME entrepreneurs who can participate.

Subsequently, the activity stage consists of several steps. First, field studies and observations are conducted to assess the suitability of potential MSME entrepreneurs for involvement. This is followed by training, starting with the dissemination of the importance of halal certification for MSME products, accompanied by discussions to evaluate participants' seriousness about the issue. Then, there is mentoring aimed at assisting entrepreneurs in preparing supporting documents for halal certification and guiding them through the online registration process for certification.

The final stage is evaluation, conducted to measure partners' understanding and readiness in obtaining halal certification. This evaluation also aims to assess the effectiveness and efficiency of the planned and implemented activities. Evaluation methods include pre-tests and post-tests as part of a comprehensive assessment.

RESULT AND DISCUSSION

Based on the training and mentoring conducted, the community service team concludes that the participants lack comprehensive understanding of halal certification management. This reinforces findings from previous studies (Wibowo et al., 2022 and Redaputri et al., 2022) related to community intervention/empowerment activities. Training and mentoring activities serve as means to strengthen business owners in managing their enterprises (Virianita et al., 2022).

Below is an overview of various activities conducted in this community service initiative:



A. Preliminary Study / Field Study (Observation)

Before providing mentoring to participants of the community service activities, the implementing team conducts preliminary studies / field studies (observations) first. These observations aim to assess the suitability of MSME owners (and who is considered eligible) to be involved in these activities. The initial field study (observation) is conducted generally first. Afterward, the team proceeds to specific groups, namely the 29 households producing products and simultaneously owning shops to sell their products. For the initial stage, the team selects 3 MSMEs with complete documents, namely Hikmah, Neng Nong, and Amanatillah shops. At this stage, the community service team conducts a pretest on selected partners to assess their understanding of halal certification prerequisites and procedures.

B. Training

Under Law No. 13 of 2014 (Law, 2014) concerning Halal Product Assurance, the government regulates the circulation of products to be certified. This law mandates that every product circulating in Indonesia must be certified. The importance of certification will not be realized without cooperation between various stakeholders, for example, between regional authorities and MSMEs. The community service team collaborates with the Halal Center and the Halal Inspection Institute of Jember University to encourage business owners to have the ability to obtain halal certification, both through self-declaration and regular mechanisms. The training activities conducted by the community service team aim to provide understanding of the importance of halal certification for products produced by MSMEs. Below is an explanation of the process flow of halal certification that business owners must know and understand.





Figure 1 The halal certification process flow



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There are two ways to obtain halal certification: regular pathway and self-declaration pathway. Further explanation regarding these two models is as follows:

a) Regular Pathway

The regular pathway for halal certification services is intended for MSMEs. In this model, business owners bear the cost themselves, which includes registration fees, determination of product halalness, and inspection fees by relevant institutions (in this case, the Halal Inspection Agency or abbreviated as LPH).

b) Self-Declaration Pathway

Through this pathway, businesses can apply for halal certification without incurring any fees. The cost of services is covered by the national or local budget, or by facilitators facilitating the process. The characteristics of the self-declaration certification application are as follows:

- 1. Products produced by businesses are low-risk or use pre-certified halal ingredients, ensuring their halal status during production.
- 2. Maximum annual sales turnover of Rp 500 million, supported by self-declaration.
- 3. Possession of a Business Identification Number (NIB).
- 4. Separate production locations, facilities, and equipment for halal and non-halal products.
- 5. Possession or absence of distribution permits (PIRT/MD/UMOT/UKOT). Hygiene and Sanitation Certificate (SLHS) for food/beverage products with a shelf life of less than seven days, or other industrial permits issued by relevant authorities.
- 6. Maximum of one outlet and/or production facility location.
- 7. Active production for at least one year before applying for halal certification.
- 8. Produced goods, not services or products from restaurants, canteens, catering, or food stalls/houses/shops.
- 9. Products and their production processes have been verified for halal compliance by a halal process assistant.
- 10. Certified halal ingredients, excluding those sourced from non-halal slaughterhouses or poultry slaughterhouses.
- 11. Utilization of simple or manual/semi-automatic production equipment (home-based, not factory-based).
- 12. Products preserved without radiation, genetic engineering, ozone use, or a combination of preservation methods.



13. Completion of halal certification application documents through an online selfdeclaration mechanism via Si Halal.

The next stage in the training session involves discussions. In this stage, the community service team attempts to explain and answer all partner questions regarding prerequisites, procedures, and commitments for halal certification processing, followed by a post-test. The training implementation for partners is illustrated in Figure 2 below.



Figure 2 Training for Partners

C. Mentoring

In this activity, the community service team mentors partners in collecting and inventorying various prerequisites needed to apply for halal certification for the products they produce. The implementation of mentoring activities is reflected in Figure 3. Despite having weaknesses in documentation systems (Damayanti et al., 2021), mentors guide each participant in this community service activity one by one. The prerequisites include the existence of a manual for the halal product assurance system (SJPH), standard operational procedures (SOPs), process flow, production records, raw material purchases, and halal policies. SJPH is a mandatory document that partners must prepare. It contains 5 criteria: commitment and responsibility, materials, halal production processes, products, and monitoring-evaluation. SJPH is signed by the owner (business operator and halal supervisor). The SOP prepared at this stage includes SOPs for production processes, raw material selection, unused raw material handling, management review, and internal audits.

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Figure 3 Implementation of assistance in creating Si Halal accounts and uploading documents.

Mentoring in registering entrepreneurs to obtain halal certification is done through an online registration system, namely: https://ptsp.halal.go.id. In this activity, because the community service partners do not yet have the ability to use technology, mentors assist partners step by step. The process begins with creating an account for Mrs. Anisah, followed by filling out the business operator's identity, then entering data on processed seafood product ingredients to be certified, and then observing the product manufacturing process carried out by the partners. The same mentoring process is also carried out for Mrs. Indriani Rahardjo and Mr. Agus Sugianto.

Through the entire process, three micro and small seafood processing businesses in Sukolilo Baru Surabaya now have Si Halal accounts, and currently, they are awaiting the certification process. Halal determinations from MUI or Halal Certificates from BPJH are still awaiting issuance.

D. Evaluation

In this stage, the community service team evaluates all activities. Evaluation activities are conducted through post-tests to measure the community service participants' (partners) understanding of prerequisites, processes, and procedures for halal certification. During the mentoring process, the team encountered several challenges, including the partners' low digital literacy, thus they were unable to operate the systems provided by the government. Additionally, there were difficulties in scheduling mentoring sessions with partners due to ongoing production and business processes. Nevertheless, the community



service team successfully completed the halal product certification mentoring. Below are the evaluation results for community service partners that can be documented:

 Table 1 Pre-test And Post-test Results for Community Service Partners

No	Questions	Result	
		Pre-test	Post-test
1	Business operators have received information and training on Halal certification.	No	Yes
2	They understand the benefits of Halal certification.	No	Yes
3	They possess documentation ensuring the quality of their products (SJPH).	No	Yes
4	They are familiar with the procedures and supporting documents required for applying for Halal certification.	No	Yes
5	They are capable of submitting Halal certification applications through the available application (Si Halal).	No	Yes

Source: Processed Primary Data

CONCLUSION

Based on the results and discussions presented in this activity, as explained earlier, it can be concluded that obtaining halal certification for products will strengthen business actors in conducting their businesses. Thanks to this halal certification, products can be easily accepted in the market, both nationally and internationally, thus accelerating the advancement of these MSMEs. This effort, from the consumer's perspective, will be reassuring and beneficial as consumers receive assurance of the quality of the products they consume. Through this process, society will increasingly trust the products produced by business actors.

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