

## Halal Clauses in the Agreement on Reciprocal Trade (ART) between Indonesia and the United States: Sharia Perspectives and Indonesia's Halal Policy

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### **Keywords:**

Halal, ART RI-AS, Rule of Law, Maqāṣid Al-Syarī'ah, Regulation

### **Abstract**

*This study aims to analyze the comparison and conformity between Indonesian halal regulations and halal clauses in the Agreement on Reciprocal Trade (ART) articles 2.9 and 2.22 between the Republic of Indonesia and the United States. The analysis in this study uses a normative juridical method with a statutory approach, a comparative approach and a conceptual approach, this study dissects nine points in the halal clause of the ART. The results of the study show that there is a significant disparity in norms, namely three paragraphs declared appropriate, two partially contradictory paragraphs, and four absolute contradictory paragraphs because it is not in accordance with Indonesian halal regulations, especially related to the labeling of non-halal products and the elimination of halal supervisors. Judging from Hans Kelsen's sovereignty theory, Indonesia has the legal capacity to maintain its national standards to protect citizens, which is emphasized through the Decree of the Head of BPIP No. 221 of 2025 regarding foreign halal certification. In sharia principles, the rejection of contradictory clauses is the implementation of the rules of Dar'ul Maqāṣid Muqaddam 'Alā Jalbil Maṣāliḥ in order to ensure halal certainty and the protection of Indonesian Muslims.*

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## INTRODUCTION

Trade between Indonesia and the United States has begun a new chapter since the establishment of reciprocal import tariffs or reciprocal tariffs by the United States. Indonesia is subject to a reciprocal tariff of 32% on products from Indonesia which has a significant influence on the performance of American national exports. The tariff is in reciprocity of the tariff imposed by Indonesia on US products of 64%. This policy is called "volume two tariff war" or *Liberation Day* because it is believed to free the United States from unfair global trade practices and be the cause of the growing trade deficit (INDEF, 2025). On April 2, 2025, Donald Trump announced reciprocal tariffs as part of a trade strategy to reduce the United States' trade deficit while protecting domestic industries from global competitive pressures. This policy sets a *baseline tariff* of 10% on all imports entering the United States followed by the application of higher additional tariffs for certain countries based on the size of the bilateral trade deficit, trade structure, and other strategic considerations. The U.S. tariff policy affects 57 countries with varying tariff rates and goes into effect on April 5.

The implementation of the American tariff policy not only has an impact on China, but also has a follow-up effect on various countries, especially developing countries that have a high dependence on export market access. This policy has the potential to reduce confidence in the multilateral trading system, hinder the growth rate of global trade, and deepen economic inequality between countries (IMF, 2023). For Indonesia, these tariffs have the potential to cause significant pressure on trade performance. In the initial stage, Indonesia faced the potential implementation of a reciprocal tariff of 32%, but through a diplomatic negotiation process, in July 2025 an agreement was reached that lowered the tariff to 19%. As a consequence, Indonesia has expressed its commitment to reduce tariff and non-tariff barriers to most products from the United States and increase imports in strategic sectors such as energy, agriculture, and the aerospace industry (Novianto, 2026).

On February 19, 2026, Indonesia and the United States again reached an agreement to reduce trade barriers through the signing of an agreement *on reciprocal trade* (ART) which includes the elimination of tariffs, the reduction of non-tariff barriers, Indonesia's commitment to relax various regulations that hinder imports, and an increase in the purchase of products from the United States. However, that dynamic soon changed on February 20, 2026, when the United States Supreme Court issued a ruling that canceled the *Liberation Day tariff scheme* that was previously enforced on April 5, 2025. This series of events shows that the United States' trade policy is greatly influenced by domestic dynamics, including internal legal and political processes as well as global developments, especially related to China, which ultimately have a direct impact on the level of business certainty for its trading partner countries (LPEM FEB UI, 2026).

The *Agreement on Reciprocal Trade* (ART) between Indonesia and the United States consists of 45 pages containing seven main articles along with a number of appendices as an integral part of the agreement. The scope of its regulation is not only limited to tariff adjustments, but also includes various technical provisions relating to trade regulations and product standards. The complexity of these arrangements indicates that ART has the potential to affect the country's domestic policy.<sup>1</sup> Therefore, it is important to further examine the implications of this agreement on Indonesia's national policies, especially those that have normative and religious dimensions such as halal product assurance (JPH). Halal-related regulations in the ART are contained in Article 2.9 and Article 2.22. These two articles regulate the ease of access for United States products in the Indonesian market through the simplification of halal certification and labeling procedures as well as recognition of halal certification bodies from the United States. The regulation is directed to

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<sup>1</sup> <https://ustr.gov/sites/default/files/files/Press/Releases/2026/02.19.26%20US-IDN%20ART%20Full%20Agreement%20-%20US%20Final%20for%20Website%20sanitized.pdf> accessed on March 20, 2026.

Halal Clauses in the Agreement on Reciprocal Trade (ART) between Indonesia and the United States ... minimize administrative barriers (*non-tariff barriers*) which are considered to slow down export flows, but at the same time have the potential to have implications for the consistency of the implementation of the halal product assurance system in Indonesia.

In the Indonesian context, halal certification not only plays a role as a guarantee of product quality, but also as a consumer protection instrument that is able to increase market trust, especially in countries with a majority Muslim population. In addition, the concept of halal has undergone an expansion of meaning, no longer limited as a religious symbol, but also an indicator of safety, cleanliness, and traceability of products in the modern trade system (Muthia, 2026). In this regard, the provisions in the ART need to be analyzed within the framework of Indonesian national law. Based on Article 4 of Law Number 24 of 2000 concerning International Agreements, every international agreement must pay attention to national interests. On the other hand, Article 4 of Law Number 33 of 2014 concerning Halal Product Assurance emphasizes that all products entering, circulating, and trading in Indonesian territory are required to be halal certified. This provision shows the potential for interaction and even tension between the commitment in the international trade agreement in the ART and the obligation to implement halal standards nationally.

This provision shows that the obligation of halal certification in Indonesia has a binding position under national law. Therefore, research on halal clauses in ART is important to be carried out. This study aims to compare and evaluate the provisions in the ART, especially halal clauses with Indonesia's national halal policy and sharia principles to assess the level of conformity and potential conflict with the Halal Product Assurance (JPH) system. The urgency of this research is based on three reasons. First, the potential influence of ART on Indonesia's halal regulatory sovereignty, second, there is a possibility of tension between the commitment to trade liberalization and the implementation of halal standards, and third, there are still limited studies that specifically examine the relationship between international trade agreements, especially ART in Articles 2.9 and 2.22, and halal policies in Indonesia. Thus, this study is directed to identify points of conformity and potential conflict between ART provisions and national halal regulations and sharia principles and formulate policy implications for Indonesia in maintaining a balance between international trade interests and the protection of religious values.

The inconsistency between the halal clauses in the ART and Indonesian domestic regulations creates serious challenges to legal certainty and consumer protection. Indonesia has shifted the paradigm of halal certification to an absolute obligation (*mandatory*) which is a manifestation of the sovereignty of national regulations. The trade liberalization effort in the ART implicitly tries to relax the main pillars of the JPH system, especially in the aspect of supply chain integrity. In the

discourse of modern international economic law, the pressure to align domestic standards with global interests often threatens the regulatory autonomy of the state in protecting non-economic public interests, such as religious and health values (Andrew, 2017).

Therefore, adjustments to contradictory clauses are a crucial step in maintaining the sovereignty of national law. Accommodating clauses that weaken internal oversight will result in risks to the integrity of halal product assurance. This is in line with the view that the country has policy *space* to maintain its higher domestic standards for the sake of consumer protection, even in the midst of international free trade pressures (Wagner, 2014). Through this study, the identification of these norm disparities is expected to be the basis for the government to take a stronger bargaining position, to ensure that international cooperation does not sacrifice the protection of people's religious values.

## METHODS

This research uses a normative legal research method (normative juridical research), which is research that focuses on the study of applicable legal norms. The approaches used include the statute *approach*, the *comparative approach* and the *conceptual approach*. The legislative approach is used to analyze the provisions in the *Agreement on Reciprocal Trade* (ART) between Indonesia and the United States as well as Indonesian national regulations, especially Law No. 33 of 2014 concerning Halal Product Assurance and Law No. 6 of 2023 concerning the Stipulation of Government Regulations in Lieu of Law No. 2 of 2022 concerning Job Creation (Mahmud, 2017).

A comparative approach is used to compare the provisions in the ART with Indonesia's national halal policy to assess the level of conformity and potential conflict with the halal product assurance system (JPH). Meanwhile, a conceptual approach is used to understand the legal sovereignty of the state based on the thought of Hans Kelsen. According to Kelsen's (2007) view, sovereignty is the highest legal capacity of a country to determine its own legal *capacity* independently. This concept is used to test the extent to which Indonesian authorities in enforcing domestic halal standards are maintained in the face of international commitments. In addition, this approach is used to dissect the concept of halal in the perspective of Maqāṣid Al-Syarī'ah and the rules of fiqh (*qawā'id fikihiyah*) in accordance with the views of Ahmad (2011).

The legal materials used consist of primary legal materials in the form of laws and regulations and international treaty documents as well as secondary legal materials in the form of books, scientific journals, and relevant research results. The technique of collecting legal materials is carried out through library *research*. Furthermore, the collected legal materials are analyzed qualitatively by descriptive-analytical method (Soerjono, 2015). Through this method, the

researcher systematically explains the provisions in ART and national halal regulations, then conducts an in-depth analysis to identify synchronization and conflict of norms between the two based on the framework of sovereignty theory and the principles of Maqāṣid Al-Syarī'ah.

## RESULTS AND DISCUSSION

### Halal Clauses in the Agreement on Reciprocal Trade

*The Agreement on Reciprocal Trade* or the Indonesian American reciprocal agreement related to halal is in article 2.9 which has four paragraphs and article 2.22 which has five paragraphs. The theme of article 2.9 is halal for manufactured goods with the following contents:

1. With the aim of facilitating the export of United States products of cosmetics, medical devices, and other manufactured goods that may currently be required to have halal certification, Indonesia is obliged to exempt United States products from any halal certification and halal labeling obligations.
2. Indonesia is also obliged to exempt containers and other materials used to transport manufactured products from any halal certification and halal labeling obligations, except for containers and materials used to transport food and beverages, cosmetics, and pharmaceutical products.
3. Indonesia should not impose labeling or certification requirements for non-halal products.<sup>2</sup>
4. Indonesia is obliged to allow any United States halal certification body recognized by Indonesian halal authorities to certify any product as halal for import into Indonesia without any requirement or restriction.

While article 2.22 has a theme, namely halal for food and agricultural products with the following content details:

1. Indonesia is obliged to accept the slaughtering practices of the United States in accordance with Islamic law or in accordance with the standards of any country that is a member country of the *Standards and Metrology Institute for Islamic Countries* (SMIIC).
2. Indonesia is obliged to exempt non-animal products and animal feed, whether genetically engineered or not, from any halal certification and halal labeling obligations.
3. Indonesia is obliged to exempt containers and other materials used to transport food and agricultural products from any halal certification and halal labeling obligations.

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<sup>2</sup> "For the avoidance of doubt, the provisions in this paragraph do not apply to the obligation to include information on the contents or ingredients in a product."

4. Indonesia is obliged to exempt U.S. packing, storage, and warehousing companies in the U.S. agricultural product export supply chain that have been halal certified to Indonesia from any competency test and halal certification requirements for their employees.
5. Indonesia may not establish or maintain any provision that requires a U.S. company to appoint a halal expert to oversee the company's operations.

### **Indonesia's National Halal Regulations**

Indonesia requires all products that enter, circulate and trade in Indonesian territory to be halal certified. This is in accordance with the reading of article 4 of Law Number 33 of 2014 concerning Halal Product Assurance "*products that enter, circulate, and trade in Indonesian territory must be halal certified*". Article 155 of the 2024 Government Regulation concerning the Implementation of the Halal Product Assurance Sector details the products that are subject to halal certification obligations in Indonesia, namely in the form of goods and services. For goods include food, beverages, medicines, cosmetics, chemical products, biological products, genetic engineering products, and consumer goods. Meanwhile, the services that must be halal certified are slaughtering, processing, storage, packaging, distribution, sales, and presentation services. The implementation of halal certification obligations in Indonesia is not absolute and comprehensive, but refers to the categorization in the Decree of the Minister of Religion (KMA) No. 748 of 2021 concerning Types of Products That Must Be Halal Certified, KMA No. 1360 of 2021 concerning Materials Exempt from Halal Certified Obligations and KMA 944 of 2024 concerning Amendments to the Decree of the Minister of Religion Number 748 of 2021 concerning Types of Products That Must Be Halal Certified.

The obligation of halal certification in Indonesia also targets foreign products circulating in Indonesia in accordance with the mandate of articles 46-47 of the JPH Law No. 33 of 2014, articles 139 and 141-143 of PP No. 42 of 2024. In its implementation, the recognition of foreign products depends on the status of the *Mutual Recognition Agreement* (MRA) international cooperation between Indonesia and importing countries. Based on the Decree of the Head of BPJPH No. 221 of 2025, products from abroad whose country already has an MRA only need to go through the registration route of the Overseas Halal Certificate (SHLN). However, if the country does not have an MRA, then the product must go through regular halal certification with a thorough audit process at the production site of the country of origin. This mechanism ensures that any imported products in circulation remain under the control of national regulatory standards.

Broadly speaking, food, beverage, drug, and cosmetic products are subject to an absolute halal obligation. Meanwhile, chemical products, biological products, genetic engineering products, and services related to slaughter to serving services are only required to be halal certified if they come into contact with or are part of the production chain of food, beverages, medicines, and cosmetics. As for consumer goods such as wallets or belts, this obligation only applies if the product is from and contains animal elements. Thus, beyond the criteria of linkage and animal content, consumer goods products are categorized as free from halal certification obligations. The strict classification of mandatory halal objects also includes the standardization of critical additives, one of which is the use of alcohol. In this regard, the Fatwa of the Indonesian Ulema Council (MUI) No. 10 of 2018 regulates the use of alcohol from *the khamr industry* and non-khamr industry. In short, alcohol from *the khamr* (liquor) industry is absolutely haram and unclean. However, alcohol from the non-alcoholic industry (chemical synthesis or non-alcoholic fermentation) is legally sacred and may be used, as long as the ethanol content in the final product of food or beverage is less than 0.5%. For cosmetic products, the use of *non-khamr* alcohol is allowed as long as it does not cause harm.

The technical details regarding the alcohol content threshold prove that Indonesia's legal sovereignty over halal standards is non-negotiable because it concerns the protection of public morals. In the international legal system, states are allowed to deviate from the provisions of free trade in order to protect the morality of their society, as long as it is positioned as a fundamental national interest (Sefriani, 2016). Indonesia's integration into agreements such as the ART should not reduce the administrative authority of halal authority bodies in carrying out strict supervision. Neglect of this specific standard will actually undermine legal certainty in the implementation of halal product assurance which has now been transformed into a positive legal obligation that is coercive in Indonesia (Sofyan, 2014). Therefore, maintaining the rigidity of halal technical rules is a constitutional step to ensure international trade still respects the national legal identity.

### **Comparison of Agreement on Reciprocal Trade and National Halal Regulations**

Through a statute *approach* and a *comparative approach*, the researcher systematically maps the dialectical relationship between the clauses in the *Agreement on Reciprocal Trade* (ART) and the national halal product assurance regulations currently implemented by Indonesia. This mapping does not only aim to identify technical harmonization, but also to detect early potential *normative conflicts* that can threaten the sovereignty of domestic regulations. Considering that halal certification in Indonesia has transformed from just a religious standard to a positive legal obligation that is mandatory (*mandatory*), every international commitment must be tested for its

hierarchical alignment with Law Number 6 of 2023 concerning Job Creation and Government Regulation Number 42 of 2024.

The analysis in this matrix highlights the crucial points at which the autonomy of the state in determining Muslim consumer protection standards intersects with the agenda of global trade liberalization. The researcher grouped the interaction of these norms into three main categories, namely appropriate, partially contradictory, and contradictory. The main focus of the analysis is aimed at how ART tries to relax supervision on the integrity aspects of the supply chain and human resources (halal supervisors) which are juridically the main pillars in maintaining the consistency of halal products according to the view of Hasan (2014). In detail, the comparison of these norms is presented in the table as follows:

Table: Matrix of the Relationship between ART Norms and Indonesian Halal Regulations

Yes	Article	Content	Status of Norms to National Regulations	Juridical Description
1.	2.9 (1)	Indonesia is obliged to exempt U.S.-manufactured cosmetics, medical devices, and goods from halal certification and labeling.	Partially contradictory	For cosmetic products, it is contrary to Article 4 of the JPH Law which requires absolute halal certification, while for Medical Devices & Manufacturing, there is an inconsistency with KMA 748/2021 and KMA 944/2024 which still require halal certification if the product is related to food, beverage, drug and cosmetic products.
2.	2.9 (2)	Indonesia is obliged to exempt containers and materials transporting U.S. manufactured goods from halal obligations, except those transporting food, beverages, cosmetics, and pharmaceutical products).	Conform	In line with the restriction of halal objects on used goods and logistics/distribution in accordance with KMA 748/2021 and KMA 944/2024.
3.	2.9 (3)	Indonesia is prohibited from enforcing certification/labeling for non-halal products (except for information on the content of product ingredients).	Contradictory	Violates Article 110 PP 42/2024 which requires a special marking/label of "Non-Halal" visually, not just information on the content or ingredients of a product.

4.	2.9 (4)	Indonesia is required to recognize halal certification from approved U.S. institutions without additional conditions.	Conform	In line with the mechanism for recognizing foreign certificates through LHLN that has conducted MRA with BPJPH in accordance with articles 46-47 of Law 33 JPH/2014 and Article 139 and articles 141-143 of PP 42/2024.
5.	2.22 (1)	Indonesia is obliged to accept U.S. slaughter practices that are in accordance with Islamic law or SMIC member standards.	Conform	In accordance with MUI Fatwa No. 12 of 2009 which requires the severing of the airway (Hulqum), food duct (Mari'), and two blood vessels (Wadajain).
6.	2.22 (2)	Indonesia is obliged to exempt non-animal products and animal feed, including genetically modified products, from halal certification and labeling obligations.	Partially Contradictory	Suitable for unprocessed natural non-animal products, referring to KMA No. 1360/2021 (Positive List) and KMA No. 748/2021 & KMA No. 944/2024. However, it is contradictory if the product has gone through a processing or genetic engineering process which is still mandatory to be audited according to Article 4 of Law 33/2014, let alone the product is for human consumption.
7.	2.22 (3)	Indonesia is obliged to exempt containers and materials transporting food and agricultural products from halal certification and labeling obligations.	Contradictory	Contrary to JPH Law No. 33/2014 and KMA 748/2021 and KMA 944/2024 which require halal certification of distribution services (containers) to ensure the absence of unclean contamination of food and agricultural products.
8.	2.22 (4)	Indonesia is obliged to exempt US packing, storage and warehouse logistics companies from competency tests and halal certification of employees	Contradictory	Violating Article 24 of Law 33/2014 and Article 50 of PP 42/2024. Logistics, packing, and warehouse service companies are required to have a certified Halal Supervisor as the person in charge of internal supervision to ensure the halal integrity of products consumed by humans.
9.	2.22 (5)	Indonesia is prohibited from requiring U.S. companies to appoint halal experts to supervise the company's operations.	Contradictory	Violating Article 24 of Law 33/2014 and Article 50 of PP 42/2024. Even though imported products use the SHLN registration mechanism, the operations of service companies (logistics/warehouses) in Indonesia are required to appoint a Halal Supervisor as the person in charge of internal

				supervision to ensure the consistency of halal compliance for mankind.
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Source: Author, data processed (2026)

The comparative analysis above shows that there are efforts through the ART to relax national halal standards which clearly clash with the direction of strengthening the rule of law after the enactment of Law No. 6 of 2023 and Government Regulation No. 42 of 2024. The fundamental contradiction lies in the effort to eliminate certification obligations in the aspects of logistics, genetic engineering products, and the competence of halal supervisors. In the legal discourse, this neglect of personnel and logistics supervision will break the chain of quality assurance, so that the state is obliged to intervene in regulation to protect the greater public interest (Achsien, 2003).

This discrepancy confirms that Indonesia cannot sacrifice Muslim consumer protection standards and national legal certainty for the sake of international trade liberalization. Neglect of this aspect of supervision violates the rights of consumers who should be protected through strong legal instruments to ensure the safety and certainty of commodities in the market (Yusuf, 2000). Therefore, maintaining regulatory autonomy over contradictory points in the ART is a constitutional step to maintain the sovereignty of national law.

### **The Sovereignty of State Law in the Face of International Commitments**

Based on the findings of the norm insynchronization above, the researcher examined Indonesia's position through Hans Kelsen's sovereignty theory. Kelsen emphasized that sovereignty is the *highest legal capacity* of a country to determine its own legal system independently. From this perspective, Indonesia has full legitimacy to maintain domestic halal standards despite being under pressure from international commitments. The JPH Law and its derivative regulations are a manifestation of the state's will to protect citizens, so the sovereignty of national law must remain the main filter for every product entering Indonesian territory.

This sovereignty is clearly reflected in the existence of administrative instruments such as the Decree of the Head of BPJPH Number 221 of 2025 concerning Procedures for Registration of Overseas Halal Certificates. Although Article 2.9 paragraph (4) of the ART requires the recognition of United States institutions, normatively the highest authority remains in the hands of BPJPH to carry out verification. As long as the recognition mechanism remains through legitimate domestic procedures, Indonesia's legal sovereignty is not lost. Indonesia does not only accept products automatically, but places national law as the highest standard in ensuring the validity of halal labels circulating in the community.

In the end, the clash of rules such as non-halal labeling and the existence of Halal Supervisors shows that ART seeks to limit the state's authority in providing consumer protection. However, referring to Kelsen's view that the state is the only authority that has the right to determine the validity of norms in its territory, Indonesia cannot be forced to ignore PP 42/2024 for the sake of trade efficiency alone. Indonesia's legal capacity must remain positioned as an equal subject, where the interests of legal protection and sharia certainty for citizens have a non-negotiable position by the interests of the international market.

The insynchronization of norms found in the table above is not just an operational technical problem, but a representation of the conflict of interest between the international trade framework and the sovereignty of domestic law. International agreements that a country wants to adopt should go through a synchronization process so as not to damage the coherence of the existing legal system. Kelsen argues that the validity of a norm depends heavily on its conformity with the national legal structure, so that the state has full authority to determine the applicability of foreign rules in its territory based on the applicable legal standards (Hans, 2007).

Indonesia's efforts to maintain halal regulations are basically a manifestation of the state's function in exercising independent legal control, not a form of trade barrier. The rule of law requires that international instruments remain positioned as rules that must adapt to the needs of national legal protection. The protection of citizens' rights through domestic regulation is the main priority that is the basis for the state to remain in control of any standardization procedures that apply in its sovereign territory (Jimly, 2007).

### **Review of Maqāṣid Al-Syarī'ah and the Rules of Fiqh**

Maqāṣid Al-Syarī'ah is used as an analysis of ART by focusing on two main aspects, namely Hifdz al-Dīn (safeguarding religion) and Hifdz al-Nafs (safeguarding the soul). The reason for the use of these two principles is because for a Muslim, consuming halal products is not just a matter of eating rules, but part of carrying out religious orders (*hifdz al-Dīn*). In addition, halal standards also serve to protect the body from ingredients that are considered bad or unfit for consumption healthily and spiritually (*hifdz al-nafs*) (Jaser, 2008). Several points in this ART are in accordance with efforts to maintain the benefit of the people, especially in terms of ease of access to goods and trade efficiency. Article 2.9 paragraph (2) which exempts halal obligations on containers of general manufactured goods such as medical devices that are not related to consumer products is considered to be in line with the purpose of simplifying the needs of life without harming religious rules. Similarly, article 2.9 paragraph (4) which recognizes halal certificates from United States institutions that have conducted MRA and article 2.22 paragraph (1) which accepts slaughter

practices according to international standards (SMIIC). These provisions show that international cooperation can go hand in hand with the goals of sharia as long as the basic standards still refer to the principles of halal that are recognized globally and have benefits for the lives of the people and avoid all kinds of damage, both in this world and in the hereafter (Maisyarah, 2021).

The obligation to maintain religion (*hifdz al-din*) is also the main basis in evaluating article 2.9 paragraph (1) which exempts the halal obligation for cosmetic products and article 2.9 paragraph (3) which prohibits visual labeling of "non-halal". Considering that cosmetics are closely related to the validity of worship rituals, the absence of certification will cause uncertainty for the people. Religious protection requires clear boundaries through transparent labeling so that people can distinguish between halal and haram with certainty. This is crucial because the state is responsible for maintaining the integrity of sharia in public spaces to avoid the use of materials that are prohibited by religion (Al-Fassa, 2021). Furthermore, the principle of Hifdz al-Nafs (safeguarding the soul) requires strict supervision of the entire supply chain to ensure consumer safety.

The obligation to maintain religion (*hifdz al-din*) is also the main basis in evaluating article 2.9 paragraph (1) which exempts halal obligations for cosmetic products, as well as article 2.9 paragraph (3) which restricts the visual labeling of "non-halal". The use of cosmetics can affect the validity of *Thabarab* (purification), especially if it blocks the arrival of water to the surface of the skin or contains non-halal ingredients, so that it indirectly impacts the validity of the implementation of worship. Therefore, the protection of religion requires clear limits through transparent labeling so that the public can clearly distinguish between halal and haram products. This is crucial because halal product assurance is a form of protection of religious rights for Muslim consumers and part of the purpose of sharia in maintaining the public welfare. Furthermore, the principle of Hifdz al-Nafs (safeguarding the soul) requires strict supervision of the entire product supply chain to ensure consumer safety and security, in line with the goal of halal certification to protect the public from potentially harmful products (Syihabuddin, 2024).

Article 2.22 paragraphs (2), (3), (4), and (5) which regulates audit exemptions for genetically modified products, the elimination of food container inspections, and the reduction of the role of halal experts such as halal supervisors, are critical points that have the potential to threaten the physical and spiritual health of the community. Without a competent supervision system in logistics and operational lines, the risk of contamination of hazardous or non-halal materials becomes even higher. Within the framework of *Maqāṣid Al-Syarī'ah*, economic benefits cannot be used as an excuse to override the protection of the soul (*hifz al-nafs*) which is a fundamental goal in every stipulation of Islamic law (Syihabuddin, 2024).

The technical implementation of the ART needs to be tested using the principles of fiqh to ensure that the sovereignty of Islamic law is maintained in every international agreement. Article 2.9 paragraphs (2) and (4) and Article 2.22 paragraph (1) which are considered to be in accordance with national regulations, can be analyzed using the rules of *Al-Aṣlu Fī Al-Asbyā' Al-Ibāḥah* (the law of origin of everything is permissible). As long as the mechanism for the recognition of foreign halal institutions with *the Mutual Recognition Agreement* (MRA) has been fulfilled and slaughter standards are proven to be in accordance with sharia, then the cooperation can be seen as a form of benefit that is allowed to meet the needs of the wider community (Syihabuddin, 2024). However, the test of Article 2.9 paragraph (3) which prohibits the visual marking of "non-halal" shows a contradiction with the rule of *Al-Yaqīn Lā Yuḥālu Bi Al-Shakk* (belief cannot be removed by doubt). The halal or haram status of a product is a legal certainty that must be guaranteed by the state. The absence of non-halal labeling clearly has the potential to cause doubts (*shakk*) in the community, so that consumers' confidence in the halalness of products is disturbed (Jasser, 2008).

Regarding Article 2.9 paragraph (1) and Article 2.22 paragraph (2) regarding cosmetics and genetically modified products, the rule of *Dar' Al-Mafāsīd Muqaddam 'Alā Jalb Al-Maṣāliḥ* (rejecting damage must take precedence over gaining benefits) applies. Although the policy has the potential to provide economic convenience, the risk of damage in the form of the entry of haram elements into consumer products and those that have an impact on worship is a greater threat. Therefore, the protection of Muslim consumers must take precedence. Furthermore, to Article 2.22 paragraphs (3), (4), and (5) which requires the absence of a logistical audit, employee competency test, and the role of halal supervisors, *the principle of Mā Lā Yatimm Al-Wājib Illā Bi Fa Humā Wājib* (an imperfect obligation without its supporting means) applies. The state's obligation to ensure halal products will not be achieved optimally without adequate monitoring instruments. Therefore, policies must remain based on the principle of *Taṣarruf Al-Imām 'Alā Al-Ra'iyah Manūṭun Bi Al-Maṣlahah*, namely that every public policy must be oriented towards the benefit of the community (Jasser, 2008).

The entire series of analyses above emphasizes that the sovereignty of Indonesian halal standards is not just an administrative matter, but a manifestation of the essential protection of the people's beliefs. The integration between the values of Maqāṣid Al-Syarī'ah and the firmness of the Fiqh Rules shows that Indonesia is basically open to establishing trade cooperation with the United States, but this ability is not absolute and remains limited by the sovereignty of national halal standards. The government needs to position Halal Product Assurance not as a *non-tariff barrier*, but as an objective quality standard that is recognized globally. This position is equivalent to the *standards of the Food and Drug Administration* in the United States or organic standards in the

European Union that must be met for the protection of consumer rights. Thus, maintaining national halal regulations amid the pressure of international agreements is a legitimate diplomatic step to ensure legal certainty and the spiritual safety of the community.

## CONCLUSION

This study shows that of the nine points of halal clauses in the *Agreement on Reciprocal Trade* (ART) compared with national regulations, there is a significant disparity in norms. In detail, three paragraphs were found to be appropriate (Article 2.9 paragraph 2, Article 2.9 paragraph 4, and Article 2.22 paragraph 1) because they are in line with the exemption of consumables and the recognition of international slaughter standards. However, there are two partially contradictory paragraphs (Article 2.9 paragraph 1 and Article 2.22 paragraph 2) related to the certification of cosmetics and genetically modified products, as well as four paragraphs that are absolutely contradictory (Article 2.9 paragraph 3, Article 2.22 paragraph 3, Article 2.22 paragraph 4, and Article 2.22 paragraph 5) because they violate non-halal label obligations and negate the role of Halal Supervisors and the certification of logistics services mandated by the JPH Law and PP 42/2024. In Hans Kelsen's perspective, Indonesia has the legal *capacity* to maintain the national standard as the highest filter, which is affirmed through the Decree of the Head of BPJPH No. 221 of 2025.

Based on the principles of sharia, the rejection of the contradictory clause is based on the rules of *Dar'ul Mafāṣid Muqaddam 'Alā Jalbil Maṣāliḥ* and *Mā Lā Tatimmul Wājibu Illā Biḥi Fabuwa Wājib*, in order to ensure halal certainty (*al-yaqīn*) and protect the benefit of the ummah from doubt (*asy-syakḳ*) as well as the risk of fecal contamination in the global supply chain. The researcher's recommendation for the Indonesian government is that the government needs to renegotiate clauses that are absolutely contradictory, especially related to non-halal labeling and the existence of Halal Supervisors, because they directly intersect with consumer information rights and national legal sovereignty. BPJPH is advised to strengthen the implementation of BPJPH Head Decree No. 221 of 2025 as a non-negotiable technical verification instrument in international trade. In addition, the government must expressly communicate in world forums that Halal Product Assurance is a legitimate and objective *quality standard*, equivalent to other food safety standards, so that it is not considered an obstacle to non-tariff trade. Finally, it is necessary to formulate alternative supervision formulations that still guarantee halal integrity without burdening the operations of foreign companies, in order to maintain a balance between the rule of law and the ease of cross-border economic cooperation.

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