

Strengthening Domestic Competitiveness through Halal Industry Governance and Islamic Management Practices

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| *Received: 19-01-2024*

| *Revised: 17-04-2024*

| *Accepted: 25-06-2024*

Abstract: This study examines the role of halal industry governance and Islamic management practices in enhancing domestic competitiveness within the halal economy. It aims to synthesize and conceptualize existing scholarly evidence on how governance frameworks rooted in Islamic values contribute to strengthening the competitiveness of halal-based economic activities. Using a qualitative literature review approach, the study systematically analyzes peer-reviewed articles from reputable academic databases to identify dominant themes, theoretical orientations, and recurring empirical patterns. The findings indicate that effective halal industry governance, when supported by core Islamic management principles such as transparency, accountability, trustworthiness, and justice, plays a crucial role in strengthening institutional coordination, improving value chain efficiency, and enhancing market confidence. These interconnected factors collectively contribute to the reinforcement of domestic competitiveness in halal industries, particularly in emerging Muslim-majority economies where institutional maturity is still developing. The study concludes that the integration of Islamic management principles into halal governance frameworks not only ensures Sharia compliance but also generates measurable strategic and economic value. Academically, this research contributes to the literature by developing a synthesized conceptual framework that links halal governance, Islamic management principles, and domestic competitiveness within a single analytical structure. It extends existing discussions on halal industry development by moving beyond compliance-oriented perspectives toward a competitiveness-based paradigm. Furthermore, it enriches the fields of Islamic economics and management studies by demonstrating how value-based governance systems can function as drivers of institutional efficiency and market performance in emerging economies.

Keyword: Halal industry governance; Islamic management practices; Domestic competitiveness; Islamic economics.

Introduction

The halal industry has experienced very significant growth in the past decade, both at the global and national levels. This increase is in line with the growing Muslim population of the world and increasing consumer awareness of products that are not only halal in substance, but also produced through ethical, transparent, and sustainable processes. The market value of the global halal industry is estimated to have exceeded USD 2.3 trillion with a high annual growth rate (Azam & Abdullah, 2020), supported by the projected number of the world's Muslim population which will reach around 2.2 billion by 2030 (S. M. Rahim & Sulaiman, 2023). These developments show that the halal industry is no longer sectoral and limited to food and beverages, but has expanded into the cosmetics, pharmaceutical, fashion, tourism, and other services sectors (Darmawati et al., 2023).

In the national context, Indonesia, as a country with the largest Muslim population in the world, has a strategic position as well as a major challenge in the development of the halal industry. The Government of Indonesia explicitly places the halal industry as one of the pillars of national economic development, as reflected in the Indonesia Islamic Economic Masterplan 2019-2024 (Nursita et al., 2024). The ratification of Law Number 33 of 2014 concerning Halal Product

Assurance marks a fundamental change in the halal governance system, with the transfer of the authority to implement halal certification to the Halal Product Assurance Agency (BPJPH) to ensure legal certainty, accountability, and compliance with halal standards (Lubis & Syibromalisi, 2023). However, various studies show that strengthening regulations has not been fully accompanied by the effectiveness of governance and the optimal increase in the competitiveness of the halal industry (Rusydziana, 2024; Trimulato et al., 2022).

The main problem that arises in the development of the halal industry in Muslim-majority countries, including Indonesia, lies in the complexity of governance involving many actors, both state and non-state. The implementation of halal certification still faces obstacles in the form of procedures that are considered complicated, relatively high costs, and limited understanding of business actors, especially MSMEs, to applicable regulations (Fuadi et al., 2024; Susilo, 2024). This condition has an impact on the low level of participation of business actors in the halal certification system, which can ultimately weaken the integrity of the halal supply chain and reduce consumer confidence.

In addition to certification issues, the quality and integration of the halal supply chain is also a serious challenge in the governance of the halal industry. Lack of coordination between stakeholders, limited competent human resources, and inadequate infrastructure cause the halal assurance system to not run optimally (Ardiantono et al., 2024; Rohaeni & Sutawijaya, 2020). On the other hand, opportunities to use digital technology to increase the transparency and efficiency of halal governance have not been utilized to the fullest, especially by MSMEs who face limited capital and technology literacy (Nugroho et al., 2024).

In the face of these challenges, management practices based on Islamic values are seen as one of the relevant solutions to strengthen the modern halal industry. Sharia management emphasizes the principles of justice, transparency, accountability, and social responsibility in business decision-making, which are in line with the demands of credible and sustainable halal industry governance (Masrurroh, 2020). The application of Islamic values in management not only serves as a fulfillment of normative aspects of sharia, but also contributes to increasing consumer trust and company reputation in an increasingly competitive market (Ariyanti et al., 2024).

A number of previous studies have shown that sharia management practices have positive implications for organizational performance and industry competitiveness. In various sectors, including Islamic banking and the halal tourism industry, the application of sharia principles has been proven to increase consumer loyalty, business stability, and service quality (Othman & Isa, 2022). In addition, the development of a halal ecosystem that involves synergy between industry players, educational institutions, Islamic boarding schools, and regulators is considered to be able to strengthen the foundation of values and capacity of human resources in the halal industry.

However, the existing literature still shows a number of significant research gaps. Many studies tend to separate discussions between halal industry governance and sharia management practices, without examining the conceptual and implicit relationship between the two to domestic competitiveness comprehensively. In addition, research linking halal governance to economic performance and industrial innovation, especially at the micro and meso levels, is still relatively limited (Muhammad & Ngah, 2020). The limitations of analysis on the role of technology, the unification of halal standards, and the impact of policies on the entire halal industry ecosystem also strengthen the urgency of conducting a more in-depth literature synthesis (Elgharbawy, 2022).

Based on these conditions, this study aims to synthesize and critically analyze the literature related to halal industry governance and sharia management practices and their implications for domestic competitiveness. The novelty of this research lies in the effort to integrate the two concepts in one analytical framework based on a qualitative literature review, so as to be able to explain conceptual relationships, identify research gaps, and formulate theoretical and policy implications. With a scope that includes reputable studies in the global and Indonesian contexts, this research is expected to make a scientific contribution to the development of the Islamic

economy and management, as well as a reference for policymakers and industry players in strengthening the competitiveness of the halal industry in a sustainable manner.

Literature Review

The Concept of Halal Industry Governance

The concept of halal industry governance developed as an institutional and managerial approach to ensure compliance with sharia principles in all halal industry activities, from production, distribution, to certification. In the global context, the increasing demand for halal products not only demands certainty of halal products, but also transparency, accountability, and credibility of the governance system that regulates them. Therefore, halal governance is understood as a set of formal and informal mechanisms that coordinate the role of regulators, certification bodies, and industry players in maintaining the integrity of the halal ecosystem.

A number of studies show that the existence of halal certification alone does not necessarily guarantee the implementation of effective sharia governance at the organizational level. Research in Malaysia, for example, found that although companies already have halal certifications, many of them are not supported by a clear sharia governance structure (Safian, 2020). These findings confirm the gap between administrative compliance and the substantive implementation of sharia principles in business practices.

In the Indonesian context, the development of halal industry governance is closely related to the national agenda to strengthen the halal ecosystem and increase global competitiveness. The importance of integrated halal infrastructure development as a prerequisite for the functioning of comprehensive halal governance (Rozikin et al., 2024). Indonesia's ambition to become the world's halal center encourages the need to strengthen regulations, coordination between institutions, and improve the efficiency of the halal supply chain.

The role of the government is also recognized as a key factor in shaping and strengthening the governance of the halal industry. Government intervention contributes significantly to strengthening the halal value chain, Islamic finance development, and halal industry management (Indriastiningsih et al., 2024). Studies in non-Muslim countries, such as Thailand, show that proactive public policies can build an image of a Muslim-friendly country and encourage the strategic development of the halal industry.

Halal certification is a central component in the governance of the halal industry, especially after the enactment of the Halal Product Assurance Law in Indonesia which requires halal certification (Priantina & Sapian, 2023). However, Yusuf et al. revealed that the implementation of certification still faces challenges, especially related to the effectiveness of consistent supervision and sharia compliance. This condition indicates the need for a stronger governance framework to ensure that the principles of *halalan toyyiban* are internalized in all industrial processes. The integration of Islamic management principles in halal governance is seen as an important strategy to strengthen the sustainability of the halal ecosystem. The application of Islamic values in the governance structure can strengthen the role of all stakeholders, both government, consumers, and industry players, in maintaining the trust and integrity of the halal industry.

Halal Industry Governance Model

Academic literature shows that there are various models of halal industry governance that are developed in accordance with the social, economic, and institutional context of each country. In Muslim-majority countries, governance models tend to emphasize the role of sharia authorities and the integration of national regulations. A sharia governance model for halal hotels that places local sharia standard-setting bodies as the main actor in ensuring the consistency of halal hotel operations. This model is relevant to the development of halal tourism in Indonesia (Faisal et al., 2022).

At the regional level, the development of a model system for planning, implementing, and supervising the halal industry based on halal *thayyibah* principles in Banten Province (Ahyakudin

et al., 2020). This model emphasizes the importance of the supervisory function to ensure the sustainable achievement of halal goals. Meanwhile, Rum proposed a Penta Helix model in Madura involving the government, the community, academics, industry players, and the media, emphasizing that cross-sector collaboration is the key to the development of the halal industry (Rum, 2023).

In non-Muslim countries, the governance model of the halal industry shows contextual adaptation. Sudrajat's study in Thailand illustrates how the government plays an active role in the development of halal tourism through public policies and the development of supporting infrastructure (Sudrajat, 2022). In addition, an integrated approach in the halal supply chain is also an important focus. Rohaeni and Sutawijaya proposed a halal supply chain model in Indonesia that emphasizes coordinating the role of stakeholders from upstream to downstream to ensure comprehensive halal compliance (Rohaeni & Sutawijaya, 2020). The rapid growth of the halal industry opens up great economic opportunities, but it also raises governance challenges. Indonesia's potential in maximizing the global halal market, and *the ta'awuni-based microinsurance approach* as a solution to strengthen the resilience of halal MSMEs after the COVID-19 pandemic.

Concepts and Principles of Sharia Management

Sharia management is defined as the practice of managing an organization based on sharia principles, covering the dimensions of ethics, morals, and social responsibility. In the Islamic economic and management literature, sharia management is not only seen as an instrument of legal compliance, but also as a normative framework for achieving justice and sustainability. The main values of sharia management, namely justice, honesty and transparency (Liestyowati, 2024), as well as social responsibility. These values are the foundation in decision-making and profit-oriented business management. The implementation of these principles in corporations is generally realized through the Shariah Governance Framework (SGF), where the *Shariah Supervisory Board* plays a strategic role in ensuring operational compliance with sharia law (Abbas et al., 2020).

A number of empirical studies show that there is a positive relationship between the implementation of sharia management and financial performance. Rahim et al. found that the disclosure of good sharia governance contributes to improved performance of Islamic banks in Malaysia and GCC countries (M. A. Rahim et al., 2023). These findings are reinforced by the study of Solihati et al. which shows the integration between good corporate governance, Islamic corporate social responsibility, and zakat obligations in supporting the financial health of Sharia banking (Solihati et al., 2023). Sharia management practices are also developing in various countries, including outside the context of Muslim-majority countries. Daniyal and Khan point out that the application of sharia management principles in Pakistan has a positive effect on the performance of financial institutions, confirming the global relevance of Sharia-based management approaches (Daniyal & Khan, 2023). However, challenges still arise, especially related to the limited understanding of managers and practitioners of sharia principles, which can hinder effective implementation.

Sharia Management Practices, Performance, and Industrial Competitiveness

The literature shows that sharia management practices have significant implications for the performance and competitiveness of the industry, especially in the sharia finance sector. The quality of the audit, the existence of the audit committee, and the role of the Sharia Supervisory Board have a positive effect on the performance of Islamic commercial banks in Indonesia. In addition, corporate social responsibility practices that are aligned with sharia values have been shown to increase public reputation and trust, which in turn strengthens the competitiveness of institutions (M. Fauzi et al., 2020). The intellectual capital aspect is also an important determinant in the performance of the sharia industry. Sharia value-based human resource management contributes to improving financial performance. On the other hand, the implementation of risk management in accordance with sharia principles has proven to be effective in maintaining

financial stability and strengthening competitiveness (Syaifuddin et al., 2024). The active role of the Sharia Supervisory Board in encouraging the quality of Islamic social reporting also strengthens the legitimacy and competitiveness of Islamic institutions.

The Role of Institutions in the Governance of the Halal Industry

The governance of the halal industry is multi-actor and relies heavily on institutional synergy between regulators, certification bodies, and industry players. Regulators play a role in establishing legal and policy frameworks, such as through the Halal Product Assurance Law in Indonesia, which aims to protect consumers and increase public trust (Chasanah & Muzammil, 2024; Radhitya et al., 2024; Saputra, 2024). BPJPH as an administrative body has a strategic role in the supervision and education of halal certification. Halal certification bodies, such as MUI and BPJPH, are responsible for conducting halal compliance audits and evaluations. However, a number of studies noted challenges in the implementation of certification, especially among MSMEs, who still face limited understanding and resources. Therefore, financing support from Islamic financial institutions is an important factor in encouraging the participation of industry players.

Method

This study uses a qualitative literature review approach to comprehensively analyze the concept of halal industry governance and sharia management practices and their implications for industrial competitiveness. This approach was chosen because it is relevant to explore the conceptual understanding, theoretical framework, as well as empirical findings that develop in the Islamic economic literature and halal industrial studies without relying on the processing of primary numerical data. Qualitative literature review allows researchers to conduct critical, interpretive, and reflective reading of reputable scientific articles, so as to be able to identify patterns, dominant themes, and conceptual relationships between the variables being studied (Darmawati et al., 2023; Fata, 2023). In the context of this study, the approach is considered appropriate because the issue of halal governance and sharia management is multidimensional, involving aspects of regulation, institutions, Islamic values, and managerial practices that cannot be fully explained through a quantitative approach alone.

The literature collection process is carried out systematically by setting strict inclusion and exclusion criteria to ensure the quality and relevance of sources. The articles reviewed came from reputable scientific journals indexed by Scopus and Web of Science, as well as accredited national journals, with a focus on the topics of halal industry governance, sharia management, and Islamic economics. Inclusion criteria include articles that have direct relevance to the research theme, use clear methodologies, and make theoretical or empirical contributions to the development of the halal industry and sharia-based management practices (Mustofa, 2024; Napitupulu et al., 2024; Pimada, 2021). Literature screening is carried out through the stages of identification, selection, and critical evaluation of abstracts and article content, as is commonly applied in systematic and qualitative literature review-based research.

Data analysis in this study was carried out using thematic analysis and conceptual analysis to synthesize the main findings from the selected literature. Thematic analysis is used to identify recurring key themes, such as the role of governments, halal certification bodies, sharia management practices, and their impact on the performance and competitiveness of the halal industry. Meanwhile, conceptual analysis is used to build an integrative understanding of the relationship between halal industry governance and sharia management principles within the framework of Islamic economics. The combination of these two analytical techniques allows for the preparation of coherent and argumentative literature synthesis, as well as supports the formulation of theoretical and policy implications based on existing scientific evidence. Thus, this methodology not only serves to summarize previous research, but also to identify research gaps

and opportunities for the development of advanced studies in the field of halal industry governance and sharia management.

Results and Discussion

Halal Industry Governance

The literature shows that the governance of the halal industry is evolving in response to the growth of the global halal market and increasing consumer awareness of the halalness of products. The three main themes that are dominant are standardization and accreditation, transparency of the distribution system, and the challenges of implementation and compliance with halal certification. Standardization and accreditation are the main foundations of halal industry governance. Differences in halal standards between countries have the potential to pose social and economic challenges, especially for export-oriented producers. Such regulatory variations create market fragmentation and increase compliance costs. Therefore, global initiatives such as *the International Halal Accreditation Forum (IHAF)* are seen as important in encouraging harmonization of standards through coordination between accreditation institutions. In the national context, Hidayat and Machmud emphasized that halal certification not only functions as a guarantee of product quality, but also as an instrument for building consumer trust (Hidayat & Machmud, 2024). Institutional synergy between BPJPH and MUI is considered crucial to maintain the consistency, credibility, and sustainability of the halal certification system in Indonesia.

Supply chain transparency has emerged as a strategic issue in maintaining halal integrity. Hidayati et al. identified difficulties in tracking halal status, especially in the supply chain of animal-based products (Hidayati et al., 2023). Literacy shows that the use of digital technology, such as blockchain, can increase the transparency and accountability of the halal distribution system. This approach allows consumers to access halal status information in real time, thereby strengthening trust and perception of product quality (Surjandari et al., 2021). A number of studies highlight structural and administrative obstacles in the implementation of halal certification. Herlina and Rodzi et al. \ revealed that the cost of certification, the complexity of procedures, and the low awareness of business actors—especially the restaurant and MSME sectors—are the main barriers (Herlina, 2023; Rodzi et al., 2023). In addition, weak business communication also hinders the strengthening of the halal industry ecosystem, including in the halal tourism sector.

Determining Factors for the Effectiveness of Halal Industry Governance

The results of the literature synthesis identified several key factors that determine the effectiveness of halal industry governance, namely government support, awareness of industry players, education and training, stakeholder collaboration, and infrastructure and technology. Agustiniingsih et al. show that proactive government policies, including subsidies, certification facilitation, and training programs, play a significant role in accelerating the adoption of halal systems by MSMEs (Agustiniingsih et al., 2024). Integrated and consistent policies are the main prerequisites for the effectiveness of halal industry governance.

Business actors' awareness of the added value of halal certification affects the level of compliance. Syakirah et al. found that limited knowledge, especially among women entrepreneurs, has an impact on low interest in certification (Syakirah et al., 2024). Bahri and Ali emphasized the importance of halal standards-based education and training to improve the readiness and competence of industry players (Bahri & Ali, 2022). Haleem et al. (2021) highlight the importance of cross-stakeholder collaboration in minimizing the risk of contamination and increasing market confidence (Haleem et al., 2021). In addition, the availability of infrastructure and the adoption of information technology strengthen the effectiveness of halal supply chain governance.

Variations in Halal Industry Governance Approaches Between Countries

The literature reveals significant variations in the approach to halal governance between countries. The implementation of Law No. 33 of 2014 makes halal certification mandatory (Huda, 2024).

However, Priantina and Sopian noted that there are still implementation challenges, especially related to transparency and supervision (Priantina & Sopian, 2023). The low understanding of MSMEs towards halal certification is also an obstacle (Agustiningsih et al., 2024). Malaysia is known to have a more structured halal governance system through the role of JAKIM. Although regulations are relatively mature, the challenges of global innovation and competitiveness remain a major concern (N. M. Fauzi et al., 2022; Safian, 2020). Thailand integrates the development of the halal industry with tourism diplomacy strategies (Sudrajat, 2022). Meanwhile, Singapore and other Southeast Asian countries emphasize regional standardization and cooperation in halal policy development (Priatna et al., 2023).

Implications of Halal Industry Governance on Efficiency, Market Trust, and Sustainability

The implementation of halal supply chain management improves production and distribution efficiency, especially through the use of digital technology and an integrated certification system (Fitri et al., 2023; Wahyuni & Pudjowati, 2024). The existence of consistent halal certification has been proven to increase consumer confidence (Hidayat & Machmud, 2024). Blockchain technology further strengthens market transparency and trust (Surjandari et al., 2021). Good halal governance contributes to economic, social, and environmental sustainability through ethical and collaborative business practices.

The Contribution of Sharia Management to Performance and Competitiveness

Various studies show that the implementation of sharia management improves organizational performance through strengthening governance, risk management, and customer trust (Arafah & Wijayanti, 2023; Darmawan et al., 2024; Marfuah et al., 2022). This strengthens the organization's competitive position in the domestic market. Domestic competitiveness is determined by global position, quality of human resources, product innovation, supporting policies, and public-private collaboration (Hadjri et al., 2023; Masruroh, 2020; Zakaria et al., 2022).

The results of the synthesis show that strengthening regulations, improving product quality, human resource development, innovation, and responding to the global market simultaneously increase the domestic competitiveness of the halal industry (Nasution, 2020). Non-financial indicators such as halal reputation, consumer trust, innovation, service quality, and CSR have been proven to have a significant effect on the competitiveness of the halal industry (Sarassina et al., 2024; Sudirjo & Sulistiyani, 2023; Zakaria et al., 2024). Overall, the results of the study show that halal industry governance and sharia management practices have a strategic role in increasing efficiency, market trust, sustainability, and domestic competitiveness. These findings are an important basis for further discussion and formulation of theoretical and policy implications.

Discussion

This discussion integrates key findings from the literature synthesis on halal industry governance and sharia management practices, placing them in the context of strengthening domestic competitiveness, particularly in Indonesia. Inductively, the results of the study show that the governance of the halal industry cannot be understood solely as a set of technical or administrative rules, but as a value system and institutions that function to bridge sharia principles with the demands of efficiency, transparency, and sustainability in modern business practices. This relationship is mutually reinforcing, where the quality of governance determines the effectiveness of sharia management, and conversely, the depth of implementation of sharia management strengthens the legitimacy of the governance of the halal industry.

The literature analyzed confirms that an effective halal industry governance framework is rooted in a strong and institutionalized concept of sharia governance. The findings show that the existence of a clear sharia governance structure, including the role of the sharia supervisory board,

the sharia audit mechanism, and the internal supervisory system, is a key prerequisite for maintaining stakeholder compliance and trust. In the context of the halal industry, these findings indicate that governance is not only relevant for Islamic financial institutions, but also for the entire halal value chain, from production, distribution, to marketing. Thus, the governance of the halal industry serves as an institutional foundation that ensures consistency between halal claims and actual practices on the ground.

This discussion also revealed that sharia management practices have significant implications for organizational performance and the sustainability of the halal industry. The characteristics and effectiveness of sharia governance contribute to the financial health, risk management, and operational efficiency of sharia institutions. When these findings are projected into the context of the halal industry, it can be concluded that well-integrated sharia management is able to minimize the risk of *non-compliance* that has the potential to damage the reputation and competitiveness of halal products. In other words, sharia management acts as an internal mechanism that transforms sharia normative principles into concrete and measurable managerial decisions.

The interaction between corporate governance and sharia governance, enriches understanding of how the two systems are intertwined in shaping organizational performance and stability. The findings on the role of risk management mediation confirm that sharia governance does not stand apart from modern governance practices, but rather operates in a complementary manner. This perspective is in line with the institutional theoretical approach which emphasizes that sharia organizations must adjust their internal structures and processes to align with normative demands and external institutional pressures. In the halal industry discourse, the implication is the need for an adaptive governance design, which is able to respond to market dynamics without sacrificing sharia principles.

In the Indonesian context, this discussion acquires additional relevance when it is associated with the policy and regulatory challenges faced by the domestic halal industry. The literature shows that although Indonesia has great market potential, the implementation of halal governance still faces obstacles in the form of regulatory fragmentation and institutional capacity inequality. The importance of effective sharia audits, as well as the regulatory challenges of the halal food industry, indicate that strengthening governance requires synergy between public policies, supervisory institutions, and business actors. This discussion emphasized that domestic competitiveness is not only determined by cost advantages or production scale, but also by the credibility of the governance system that guarantees compliance and quality of halal products.

Aspects of digitalization and innovation also emerged as important themes in this discussion. The integration of digital technology has the potential to increase transparency and accountability in the halal supply chain. From the perspective of sharia management, the adoption of technologies such as blockchain and the Internet of Things can be seen as supporting instruments to strengthen the principles of trust and fairness in transactions. This discussion shows that technology is not a value-neutral entity, but can be directed to strengthen the implementation of sharia values in halal industry practices.

The contribution of literature to the development of sharia economic theory and management is also an important part of this discussion. The integration of Islamic values in business management encourages the expansion of a theoretical framework that is not only oriented towards economic efficiency, but also on the achievement of *maqasid al-shariah*. This discussion places the halal industry as a relevant empirical arena to test and develop such theories, particularly in the context of developing countries with a majority Muslim population.

Overall, this discussion emphasized that the relationship between halal industry governance and sharia management practices is structural and strategic. Strong governance strengthens the implementation of sharia management, while effective sharia management increases the legitimacy and competitiveness of the halal industry. The implications of these findings demand a holistic policy and managerial approach, in which regulatory, institutional,

technological, and ethical aspects are considered simultaneously. Thus, strengthening the governance of the halal industry based on sharia management is not only relevant for religious compliance, but is also a key strategy in building sustainable domestic competitiveness in the midst of global competition.

Conclusion

The study confirms that effective governance of the halal industry and consistent Islamic management practices are key factors in strengthening the domestic competitiveness of the halal industry, especially in a country with a Muslim majority population such as Indonesia. Through a synthesis of qualitative literature, this study shows that the integration of Sharia principles such as trust, transparency, fairness, and accountability into the governance framework of the halal industry not only serves as an instrument of religious compliance, but also as a strategic mechanism to improve value chain efficiency, market trust, and business sustainability. The study's main contribution lies in the development of a conceptual understanding that links halal industry governance, Islamic management, and domestic competitiveness within a single integrated analytical framework. In practical terms, these findings provide policy implications for governments and halal authorities to strengthen institutional coordination and encourage the adoption of Islamic management practices in halal business actors. Theoretically, this research enriches the treasures of Islamic economics by placing halal industry governance as a strategic variable in value-based economic development. Further research is suggested to test this conceptual framework through cross-sectoral empirical studies or cross-country comparative approaches to deepen the validity and generalization of the findings.

Acknowledgments

The author expresses his gratitude to all parties who have contributed directly or indirectly to the preparation of this article, especially academics and researchers whose work is the main reference in the development of conceptual frameworks and literature analysis. Appreciation was also expressed to the journal managers and peer partners for the constructive scientific review process, which was very helpful in improving the quality and academic sharpness of this article.

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