

Islamophobia and Institutional Challenges in the Halal Industry: Implications for Inclusive Development and Regional Cooperation

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ABSTRACT

The global halal industry has expanded from food into pharmaceuticals, cosmetics, tourism, finance and logistics, creating significant opportunities for inclusive development and regional cooperation. Yet its growth remains constrained by institutional fragmentation and perception-based barriers that affect certification credibility, cross-border market access and consumer trust. Responding to reviewer concerns on methodological clarity, uneven geographic coverage and insufficient evidence in the earlier manuscript, this revised qualitative study repositions the paper as a documentary and contemporary historical analysis with comparative case logic. Malaysia and Indonesia are treated as core Muslim-majority regulatory contexts, while Brunei, Thailand and Singapore are used as ASEAN comparators and Australia, France and South Korea as illustrative Muslim-minority or external market contexts. The study differentiates Islamophobia into three analytical forms: state-level legislative restrictions in non-Muslim-majority settings, corporate or market-level bias in global trade, and intra-Muslim or post-colonial identity contestation in Muslim-majority settings. Thematic analysis of secondary sources generated five themes: certification and supply-chain fragmentation, regulatory inconsistency, limited mutual recognition, differentiated Islamophobia and trust deficits, and constrained inclusive development. The findings show that institutional weaknesses and negative perceptions operate in a mutually reinforcing cycle. Weak harmonization increases cost and uncertainty, while Islamophobic narratives or identity-based resistance can delegitimize halal certification and reduce political will for reform. The article proposes a concrete ASEAN-OIC halal interoperability roadmap based on equivalence mapping, risk-based mutual recognition, joint accreditation, digital traceability and culturally competent public communication. It concludes that the halal industry should not be framed only as a religious or commercial sector, but as a strategic space where standards, trust and cooperation must be aligned to support equitable regional growth.

Keywords: Halal Industry; Islamophobia; Institutional Challenges; Inclusive Development; Regional Cooperation

INTRODUCTION

The global halal industry has become a major economic sector that now extends beyond food into cosmetics, pharmaceuticals, tourism, finance, logistics and digital retail. Its expansion is driven by the purchasing power of Muslim consumers and by wider demand for products associated with ethical sourcing, hygiene, safety and traceability (Ahmed, 2024; EMIS Insights Editorial Team, 2024). Southeast Asia is strategically positioned in this landscape because it includes Indonesia, the world's largest Muslim-majority country, and Malaysia, a recognized centre of halal governance and certification. The halal sector is therefore often described as a

potential driver of inclusive development, small and medium enterprise (SME) participation, cultural diplomacy and cross-border economic integration.

However, this potential remains unevenly realized. The halal industry is not merely a technical certification system; it is embedded in institutions, religious authority, trade politics, consumer perception and identity relations. Fragmented certification systems, inconsistent regulatory frameworks and limited mutual recognition increase transaction costs and make halal compliance difficult for firms operating across borders (Abd Rahman & Abdul Aziz, 2016; Abu Bakar et al., 2025; Johan & Plana-Casado, 2023). These structural barriers are especially burdensome for SMEs because repeated audits, document requirements and inconsistent recognition can delay market entry and increase compliance costs.

At the same time, halal certification is shaped by socio-political narratives surrounding Islam and Muslim identity. Islamophobia may appear as explicit hostility, policy restrictions, public suspicion, media misrepresentation, or market campaigns that frame halal certification as religious imposition rather than consumer assurance. Earlier debates often located Islamophobia mainly in Western or Muslim-minority societies. This article adopts a more differentiated position. It does not assume that Islamophobia operates uniformly across contexts. Instead, it distinguishes between state-level legislative restrictions in some non-Muslim-majority settings, corporate or market-level bias in global trade, and intra-Muslim or post-colonial identity contestation in Muslim-majority societies (Allen, 2010, 2017; Bayrakli & Hafez, 2021; Jafari & Saleh, 2024).

This distinction is important because domestic criticism of halal governance is not automatically Islamophobia. Criticism may arise from concerns about bureaucracy, cost, transparency, food safety, animal welfare or administrative efficiency. It becomes analytically relevant to Islamophobia only when it reproduces stereotypes that cast Islamic regulation as irrational, threatening, backward or incompatible with modern commerce. This narrower definition improves analytical precision and prevents the concept from being used as a catch-all explanation for every dispute over halal policy.

The article therefore addresses three research questions. First, what institutional challenges constrain the halal industry in selected Southeast Asian and external market contexts? Second, how do differentiated forms of Islamophobia and perception-based trust deficits interact with those institutional challenges? Third, what policy mechanisms can strengthen inclusive development and regional cooperation without imposing a rigid one-size-fits-all global halal standard? By answering these questions, the paper contributes to debates on halal governance, standards politics, Islamophobia and regional cooperation.

THEORY, LITERATURE REVIEW, AND CONCEPTUAL FRAMEWORK

Theory

This study integrates institutional theory, social identity theory and the political economy of standards. Institutional theory explains how rules, norms and regulatory structures shape market legitimacy and economic coordination (DiMaggio & Powell, 1983; North, 1990; Scott, 2001). In the halal industry, institutions include halal certification bodies, religious councils, accreditation agencies, trade ministries, standards organizations and regional cooperation platforms. When these institutions are fragmented or misaligned, the result is not simply technical inefficiency; it is also a legitimacy problem because consumers and firms may not know which authority to trust.

Social identity theory explains how group identities influence perceptions of legitimacy, belonging and exclusion (Tajfel & Turner, 1979). Halal certification is directly connected to Muslim identity and Islamic legal requirements. In Muslim-minority settings, halal may be framed by some actors as a symbol of external religious influence. In Muslim-majority settings, halal governance may become entangled with competing national, religious, commercial and post-colonial identities. The theory therefore helps explain why halal standards can become politically charged even when they function as quality assurance tools.

The political economy of standards adds a further layer. Standards are never neutral technical instruments alone. They also allocate market power, define legitimate expertise and determine which actors are able to participate in trade (Buthe & Mattli, 2011). In halal governance, national certification authorities, OIC/SMIIC standards, ASEAN mechanisms and private logistics actors all compete or cooperate in shaping the rules of market entry. A product may be religiously compliant, but its market access still depends on whether its certificate is recognized by importing authorities and trusted by consumers.

LITERATURE REVIEW

The literature on halal governance has developed across several streams. The first stream focuses on halal certification and supply-chain integrity. Tieman, van der Vorst, and Che Ghazali (2012) argue that halal integrity must be extended across the supply chain rather than treated as a point-of-sale label. Ab Talib, Abdul Hamid, and Zulfakar (2015) further identify government support, transportation planning, information technology, human resource management, collaborative relationships, certification and traceability as critical success factors for halal supply-chain management. Zailani, Iranmanesh, Aziz, and Kanapathy (2017) emphasize that halal logistics is essential because transportation, storage and handling affect integrity until the product reaches consumers.

The second stream examines institutional fragmentation and certification authority. Malaysia has promoted halal as a strategic economic sector through JAKIM and the Halal Industry Master Plan, while Indonesia's BPJPH has moved toward a more mandatory national certification regime (MITI, 2023; Priatna et al., 2023). Brunei, Singapore and Thailand also maintain halal certification structures, but their systems differ in institutional location, global recognition and market authority. These differences create cross-border friction. A certificate accepted in one jurisdiction may not automatically satisfy another, especially when religious authority, accreditation requirements and national trade policy intersect.

The third stream addresses mutual recognition and regional governance. ASEAN has attempted to build consensus through halal food guidelines and certification-accreditation initiatives, but the ASEAN Way privileges consensus, non-interference and voluntary cooperation (Johan & Plana-Casado, 2023). This approach can reduce political conflict, but it may also slow binding harmonization. Similarly, OIC/SMIIC standards provide an important reference for common requirements, yet adoption remains dependent on national authorities. The challenge is therefore not the absence of standards, but the limited interoperability of standards and certification decisions.

The fourth stream concerns consumer trust. Earlier work by Bonne and Verbeke (2008) remains important because it demonstrates that Muslim consumers in multicultural markets may rely on trust cues, sellers and community knowledge when formal certification is weak or contested. More recent empirical work shows that halal certification can increase purchase intention and trust in products from non-Muslim countries (Yener, 2022). This is important for the present article because trust is not generated only by religious compliance; it is shaped by transparency, credibility of certifying authorities, visibility of labels, and perceived neutrality of institutions.

The fifth stream examines Islamophobia and economic exclusion. Allen (2010, 2017), Sayyid and Vakil (2010), Ruiz-Bejarano (2017), and Jafari and Saleh (2024) show that Islamophobia can affect markets through public suspicion, media discourse, regulatory resistance and consumer activism. In halal debates, this may appear in objections to halal slaughter, campaigns against halal labelling, or claims that certification represents hidden religious taxation or Islamization. These narratives can reduce trust in halal-certified products and discourage retailers or regulators from engaging with halal systems.

Despite these contributions, the literature remains uneven. Technical studies of halal logistics often understate identity-based barriers, while Islamophobia studies often understate certification and standards politics. Regional cooperation studies may discuss ASEAN or OIC mechanisms without connecting them to consumer trust. This article responds to that gap by linking institutional fragmentation, standards politics and differentiated Islamophobia within a single analytical framework.

Conceptual Framework

The revised conceptual framework is built around four interrelated dimensions. First, institutional challenges refer to certification fragmentation, regulatory inconsistency, weak enforcement and supply-chain integrity gaps. Second, differentiated Islamophobia refers to state-level legislative restrictions, corporate or market-level bias and intra-Muslim or post-colonial identity contestation. Third, standards politics and mutual recognition refer to the way in which national authorities, OIC/SMIIC standards and ASEAN mechanisms negotiate equivalence. Fourth, developmental outcomes refer to market access, SME participation, consumer trust and regional cooperation.

The framework assumes bidirectional interaction. Institutional weakness can intensify distrust because consumers, firms and foreign regulators may see halal certification as opaque or inconsistent. Conversely, Islamophobic narratives or identity-based suspicion can reduce the political willingness to recognize halal authorities, fund accreditation, or communicate halal as a neutral quality assurance mechanism. The result is a cycle in which weak institutions and negative perceptions reinforce each other.

Table 1. Revised conceptual framework and operational dimensions

Dimension	Operational definition	Indicators in the halal industry
Institutional challenges	Formal and informal weaknesses in certification, regulation, enforcement and logistics.	Fragmented certification bodies; inconsistent national rules; repeated audits; weak traceability; unclear accreditation.
Differentiated Islamophobia	Perception-based barriers that delegitimize halal by attaching negative meanings to Islam or Muslim identity.	State-level restrictions; corporate or market boycott narratives; misrepresentation of halal as religious imposition; post-colonial identity contestation.
Standards politics and mutual recognition	Negotiation over whose standards, certificates and accreditation decisions are accepted across borders.	OIC/SMIIC voluntary standards; ASEAN consensus mechanisms; bilateral recognition gaps; equivalence mapping.
Developmental outcomes	Economic and social consequences of institutional and perception-based barriers.	Lower market access, higher SME costs, reduced consumer trust, missed opportunities for inclusive development and regional cooperation.

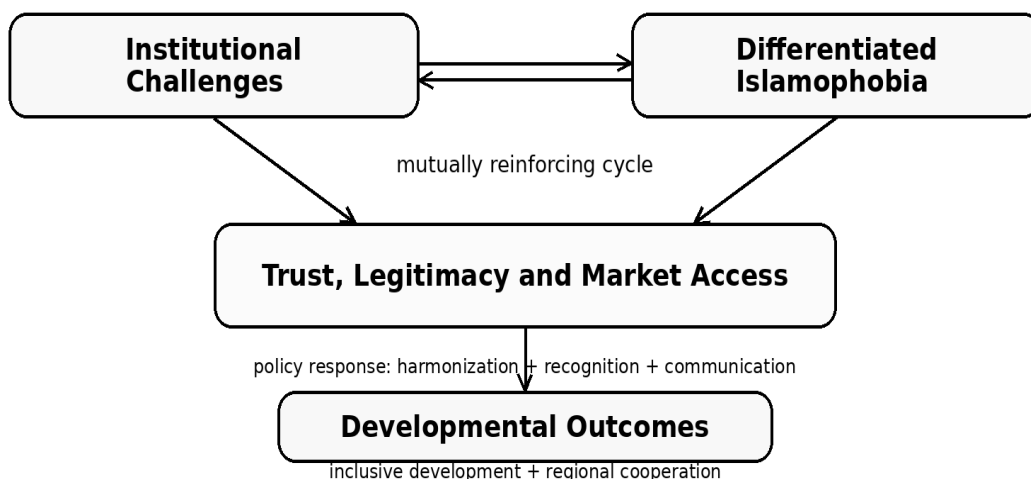


Figure 1. Revised conceptual framework: institutional challenges, differentiated Islamophobia and developmental outcomes

RESEARCH METHODS

This study is a qualitative documentary analysis with a contemporary historical orientation and comparative case logic. The revised design avoids treating qualitative analysis, historical analysis and case study as separate, unconnected methods. Instead, the study uses documentary analysis as the main method; contemporary historical interpretation as the temporal lens for understanding how present halal institutions and Islamophobia-related narratives emerged; and comparative case logic as a way to distinguish contexts rather than generalize uniformly across all Muslim and non-Muslim societies.

The study does not claim to provide primary empirical evidence from interviews, surveys or fieldwork. Its contribution lies in an evidence-based synthesis of secondary sources. This is appropriate because the objective is to clarify the relationship between institutional fragmentation and perception-based barriers across jurisdictions. The limitation of relying on secondary sources is acknowledged, but the analysis is strengthened by a transparent source-selection process, a clear coding trail and explicit qualification where evidence is thin.

The unit of analysis is the halal certification and regulatory ecosystem, including the institutions, standards, trust mechanisms and public narratives that shape halal trade. Malaysia and Indonesia are treated as core Muslim-majority regulatory contexts because they dominate the earlier manuscript and provide the clearest evidence of institutional differences. Brunei, Singapore and Thailand are used as ASEAN comparator cases. Australia, France and South Korea are used as external market contexts where public discourse, regulation or consumer perception illustrates Muslim-minority or non-Muslim-majority challenges. Myanmar is not treated as a core case because the available secondary evidence related specifically to halal certification and Islamophobia in the halal industry is limited in the corpus.

Sources were selected purposively from peer-reviewed journal articles, academic books, government and intergovernmental documents, industry reports and public discourse studies. The inclusion criteria were: direct relevance to halal certification, standards, logistics, mutual recognition, ASEAN or OIC governance, consumer trust, Islamophobia or halal-related public controversies; credibility of author or institution; and relevance to the selected case contexts. The search terms included halal certification, halal logistics, halal supply chain, halal standards, halal mutual recognition, ASEAN halal governance, OIC/SMIIC, consumer trust in halal, Islamophobia and halal, boycott halal, halal slaughter law, and halal regulation in Malaysia and Indonesia.

Thematic analysis followed Braun and Clarke's (2006) logic of familiarization, code generation, theme development, review and definition. However, the revised study makes the coding process explicit. First, documents were read for institutional evidence such as certification authority, standards, recognition and logistics. Second, documents were coded for perception-based evidence such as trust, suspicion, resistance, boycott narratives and identity contestation. Third, initial codes were grouped into categories and then into final themes. Fourth, themes were checked against the conceptual framework to avoid importing the framework directly into the results. Fifth, the claims were qualified according to the strength of available evidence.

Cross-validation was conducted by comparing evidence across at least two source types whenever possible, for example, academic literature with institutional documents or industry reports. The purpose of cross-validation was not to measure inter-coder reliability statistically, because the study does not have multiple independent coders. Rather, it was used as a confirmability check: a claim was treated as stronger when it appeared across different types of sources and weaker when it depended on a single source or anecdotal public discourse.

Table 2. Methodological alignment after revision

Component	Clarified approach	Purpose
Research design	Qualitative documentary analysis with contemporary historical orientation and comparative case logic.	Resolves the earlier inconsistency between qualitative, historical, case-study and thematic terminology.

Component	Clarified approach	Purpose
Case boundaries	Core cases: Malaysia and Indonesia; ASEAN comparators: Brunei, Singapore, Thailand; external illustrative contexts: Australia, France, South Korea.	Prevents overgeneralization and clarifies why some countries receive more analytical attention.
Corpus and sampling	Purposive selection of peer-reviewed, institutional, policy, industry and public discourse sources.	Links findings to secondary evidence and acknowledges the absence of primary fieldwork.
Coding procedure	Initial codes were grouped into categories and reviewed against source evidence before being named as themes.	Shows how themes emerged from the corpus rather than being imported directly from the conceptual framework.
Trustworthiness	Triangulation across source types and claim qualification when evidence is thin.	Strengthens credibility, dependability and confirmability.

Table 3. Coding trail from initial codes to final themes

Initial codes	Collapsed analytical category	Final theme
Multiple certifying authorities; duplicated audits; different logo recognition; uncertain cross-border validity.	Certification fragmentation and compliance cost.	Theme 1: Certification and supply-chain fragmentation.
Mandatory versus voluntary regimes; religious authority versus trade ministry authority; bureaucratic delays; enforcement gaps.	Regulatory inconsistency.	Theme 2: Regulatory inconsistency and bureaucratic gaps.
Voluntary OIC/SMIIC adoption; ASEAN consensus; limited equivalence mapping; national halal agendas.	Standards politics and recognition limits.	Theme 3: Limited mutual recognition and weak interoperability.
Halal as Islamization; boycott halal campaigns; restrictions on slaughter; suspicion toward Muslim authorities.	External Islamophobia and market distrust.	Theme 4: Differentiated Islamophobia and trust deficits.
Domestic ambivalence toward halal regulation; elite or consumer narratives that dismiss halal as backward; concern over cost or bureaucracy.	Intra-Muslim or post-colonial contestation, with caution not to over-label criticism.	Theme 4: Differentiated Islamophobia and trust deficits.
SME exclusion; consumer confusion; reduced investment confidence; weaker regional cooperation.	Economic and social consequences.	Theme 5: Constraints on inclusive development and regional cooperation.

RESULTS AND DISCUSSION

The revised findings are organized around five themes generated from the documentary corpus. The themes are not presented as primary empirical findings from fieldwork. Rather, they are evidence-based interpretive findings derived from secondary sources and situated within the revised conceptual framework. The analysis shows that institutional fragmentation and perception-based barriers interact, but it also shows that this interaction varies by context.

Theme 1: Certification and Supply-Chain Fragmentation

The first theme concerns the fragmentation of halal certification and supply-chain governance. Halal integrity

depends on more than a final product label. It includes sourcing, processing, storage, transportation, handling and retail environments. This is why Tieman et al. (2012) define halal supply-chain management as extending halal integrity 'from source to point of consumer purchase.' Ab Talib et al. (2015) similarly identify certification, traceability, transportation planning and government support as critical factors for halal supply-chain effectiveness.

In Southeast Asia, fragmentation appears in the coexistence of strong but nationally bounded certification authorities. JAKIM, BPJPH, MoRA, MUIS and CICOT each operate within specific legal, religious and administrative systems. This institutional diversity is not necessarily a weakness because it reflects national sovereignty and local religious authority. It becomes a trade problem when recognition is unclear, when firms must repeat certification for similar products, or when logistics providers cannot guarantee integrity across borders.

The fragmentation is especially significant for SMEs. Large multinational firms may absorb the cost of multiple audits and regulatory advice, but smaller firms often lack the administrative capacity to navigate different rules. This reduces the inclusive potential of the halal sector because the benefits of market expansion may concentrate among larger actors with stronger compliance infrastructure.

Theme 2: Regulatory Inconsistency and Bureaucratic Gaps

The second theme concerns regulatory inconsistency. Malaysia has positioned halal as a strategic development and export sector, while Indonesia has strengthened mandatory certification under a state-led halal product assurance regime (MITI, 2023; Priatna et al., 2023). These approaches are not contradictory in principle, but they produce different compliance logics. Malaysia's system is often associated with international benchmarking and branding, while Indonesia's system emphasizes domestic consumer protection and legal obligation.

Regulatory inconsistency also appears in the division of authority among religious agencies, standards bodies, trade ministries and food safety institutions. Where authority overlaps, applicants may experience uncertainty about whether halal is being treated as a religious, technical, trade or consumer protection matter. The problem is intensified when importing countries require additional verification despite the existence of prior certification.

From an institutional theory perspective, the issue is not simply the number of authorities, but the absence of predictable coordination among them. When rules are unstable or recognition is opaque, consumer trust and firm confidence decline. This confirms the relevance of standards politics: certification is a site where religious legitimacy, technical expertise and national economic interest are negotiated.

Theme 3: Limited Mutual Recognition and the Role of OIC/SMIIC and ASEAN

The third theme concerns the absence of a robust mutual recognition mechanism. Calls for a single global halal standard are common, but the evidence suggests that a rigid global standard is unlikely to succeed unless it respects national religious authority, food safety systems and legal sovereignty. A more realistic approach is interoperability: different systems can retain national features while agreeing on baseline equivalence, accreditation principles and transparent recognition procedures.

The OIC/SMIIC system is important because it provides a standards platform for OIC member states. SMIIC describes its mandate in terms of quality infrastructure, including 'standardization, metrology and accreditation.' OIC/SMIIC 1:2019 sets general requirements for halal food, while other SMIIC standards address certification bodies, accreditation and sector-specific requirements. However, these standards do not automatically become binding across all national halal regimes. Their influence depends on adoption, implementation and mutual recognition by national authorities.

ASEAN also offers an important but limited platform. The ASEAN approach can build consensus in sensitive areas because it avoids coercive legal harmonization. Johan and Plana-Casado (2023) show that ASEAN halal

food guidelines represent movement toward harmonization under the ASEAN Way, but consensus-based governance may not be sufficient to solve recognition and enforcement gaps. ASEAN Secretariat initiatives on certification and accreditation are therefore useful starting points, but they require stronger implementation, institutional follow-up and technical equivalence mapping.

Theme 4: Differentiated Islamophobia and Trust Deficits

The fourth theme concerns Islamophobia and trust deficits. The revised analysis rejects a homogeneous understanding of Islamophobia. In non-Muslim-majority settings, Islamophobia may appear at the state level through restrictions on religious slaughter or public procurement debates, and at the market level through consumer campaigns portraying halal as religious imposition. Jafari and Saleh (2024) show that anti-halal consumer activism can reproduce Islamophobic meanings through everyday market practice. Delahunty (2015) also demonstrates that halal and kosher slaughter debates may be framed through animal welfare while intersecting with religious liberty controversies.

At the corporate or market level, trust deficits may arise when retailers, importers or consumers view halal certification as politically sensitive. In such contexts, halal certification is no longer read only as a quality assurance mechanism. It becomes a symbol in wider identity debates. The result may be hesitation by businesses to display halal labels, reluctance by authorities to recognize foreign certification bodies, or public misinformation about what halal certification means.

In Muslim-majority settings, the issue is different. The term internalized Islamophobia must be used carefully. In this article, it refers only to discourses that devalue halal governance by adopting external stereotypes of Islamic regulation as irrational, backward or incompatible with modernity. It does not refer to legitimate criticism of bureaucracy, lack of transparency, cost or implementation problems. This distinction is essential because domestic policy debate is not automatically Islamophobia. The category is analytically useful only when identity-based prejudice shapes how halal governance is represented.

Recent consumer trust literature reinforces this point. Yener (2022) found that halal certification can increase purchase intention and trust in products from non-Muslim countries. This suggests that certification can overcome distrust when consumers believe the authority is credible and the label is visible. Conversely, when certification is politicized or poorly communicated, trust remains fragile even if technical compliance exists.

Theme 5: Implications for Inclusive Development and Regional Cooperation

The combined effect of institutional fragmentation and perception-based distrust limits the halal industry's contribution to inclusive development. SMEs, women-owned businesses, rural producers and cross-border start-ups are most affected because they often lack resources to manage multiple certification regimes. If halal governance is made more transparent and interoperable, the sector can expand participation rather than reinforce market concentration.

Regional cooperation is also affected. ASEAN's halal potential depends on shared confidence among national certifying authorities, exporters, consumers and logistics providers. Without mutual recognition and transparent equivalence, cross-border trade remains costly. Without public communication, halal can remain vulnerable to misinformation and cultural suspicion. The revised findings therefore support a dual strategy: institutional reform and trust-building communication must be pursued together.

Table 4. Comparative case logic and analytical caution

Context	Why included	Analytical caution
Malaysia	Core Muslim-majority regulatory case with a mature halal certification system and strategic halal industry policy.	FINDINGS should not be generalized to all Muslim-majority states because Malaysia has a distinctive state-Islam and certification structure.

Context	Why included	Analytical caution
Indonesia	Core Muslim-majority regulatory case with mandatory halal product assurance and BPJPH-led institutional reform.	The analysis must distinguish domestic consumer protection from external trade harmonization.
Brunei, Singapore and Thailand	ASEAN comparators that show different institutional locations and market recognition of halal certification.	They are used comparatively, not as equally detailed case studies.
Australia, France and South Korea	External contexts illustrating Muslim-minority or non-Muslim-majority perception barriers, including public discourse and market suspicion.	Examples are used to illustrate differentiated Islamophobia, not to represent all non-Muslim-majority countries.
Myanmar	Mentioned only as a Southeast Asian Muslim-minority context.	Not treated as a core case because halal industry evidence in the present secondary corpus is thin.

Table 5. Evidence trail linking sources to findings

Finding	Textual or documentary evidence	Analytical interpretation
Halal requires end-to-end integrity.	Tieman et al. (2012) describe halal supply-chain management as extending integrity 'from source to point of consumer purchase.'	Certification fragmentation affects logistics, storage, transport and retail, not only final product labelling.
Harmonization is a regional policy objective.	ASEAN Secretariat (2023) frames certification and accreditation schemes as tools to facilitate 'harmonisation or equivalency.'	ASEAN already recognizes the need for equivalence, but operational implementation remains limited.
OIC/SMIIC provides a standards platform but not automatic enforcement.	SMIIC identifies its role in 'standardization, metrology and accreditation' for OIC member states.	OIC/SMIIC standards can serve as a baseline for equivalence mapping, but national adoption is still required.
Standards distribute power in markets.	Buthe and Mattli (2011) show that rule-making in global regulation determines who benefits from standards.	Halal standard-setting is also political economy, not only religious compliance.
Trust matters in non-Muslim-majority markets.	Yener (2022) reports that halal certification can increase 'purchase intention and trust' for products from non-Muslim countries.	Credible certification can counter suspicion, but only when recognition and communication are clear.
Islamophobia affects consumer and corporate responses.	Jafari and Saleh (2024) analyse boycott-halal activism as a form of consumer politics linked to Islamophobic discourse.	Market-level Islamophobia can reduce demand, discourage labelling and weaken recognition of halal authorities.

POLICY ROADMAP: FROM GLOBAL STANDARDIZATION TO HALAL INTEROPERABILITY

The reviewer correctly noted that a call for a global halal standard requires a concrete proposal. This article proposes a phased halal interoperability roadmap rather than a rigid single global standard. The reason is practical: halal standards are connected to Islamic jurisprudence, national law, food safety, accreditation, trade policy and public trust. A single imposed standard may generate resistance. An interoperability model can preserve national authority while building mutual confidence.

First, ASEAN and OIC/SMIIC should create a halal equivalence map. This map would compare core requirements in OIC/SMIIC standards, JAKIM, BPJPH, MoRA, MUIS, CICOT and other recognized systems. The objective is not to erase differences, but to classify them into three categories: equivalent baseline requirements, national administrative add-ons and non-equivalent requirements requiring further negotiation.

Second, mutual recognition should be risk-based and tiered. Low-risk processed food products with equivalent baseline requirements could receive expedited recognition, while high-risk products such as meat, pharmaceuticals or complex ingredients may require joint audits or additional documentation. A tiered approach would reduce trade barriers without compromising halal integrity.

Third, certifying authorities should establish joint accreditation and peer-review mechanisms. Periodic peer reviews among national halal authorities would allow them to evaluate audit procedures, inspector competency, laboratory capacity, traceability systems and complaint handling. The outcomes should be recorded in a transparent registry accessible to regulators and businesses.

Fourth, a digital halal product passport should be developed for cross-border trade. This passport would contain certificate status, certifying authority, validity period, product scope, logistics requirements and recognition status in importing jurisdictions. Digital traceability can reduce misinformation, prevent fraudulent certificates and improve consumer confidence.

Fifth, ASEAN should include halal governance more visibly within inclusive development agendas. Harmonization should be linked to SME assistance, training, affordable certification pathways and capacity-building for women-owned and community-based businesses. If the cost of compliance is reduced, halal development can become more inclusive rather than benefiting only large exporters.

Sixth, public communication must be culturally competent. Halal should be explained as a legitimate consumer assurance and quality governance system, not as coercive religious expansion. Communication should address non-Muslim consumers, policymakers, retailers and media actors. This is essential because institutional reform without perception management will not resolve trust deficits.

Finally, disputes over recognition should be handled through a technical mediation mechanism involving halal authorities, trade agencies and standards experts. This would prevent certification disputes from becoming geopolitical or identity-based conflicts. Such a roadmap would respond to both institutional fragmentation and Islamophobic misrepresentation by making halal governance transparent, predictable and cooperative.

IMPLICATIONS AND LIMITATIONS

The revised study has three implications. Theoretically, it shows that halal governance should be analysed at the intersection of institutions, identity and standards politics. Certification is not merely administrative. It produces legitimacy, allocates market access and shapes consumer trust. By differentiating Islamophobia into state-level, market-level and intra-Muslim or post-colonial forms, the article avoids the earlier problem of treating Islamophobia as a single homogeneous phenomenon.

Practically, the study suggests that certification authorities should move from symbolic cooperation to operational interoperability. Mutual recognition cannot depend only on goodwill. It requires equivalence mapping, audit transparency, shared accreditation criteria, digital traceability and dispute resolution. These measures would reduce cost for businesses and increase trust for consumers.

Policy-wise, the study argues that ASEAN and OIC/SMIIC should be treated as complementary platforms. OIC/SMIIC can provide baseline standards and accreditation principles, while ASEAN can operationalize regional cooperation through consensus-building, capacity-building and market integration. The ASEAN Way can support trust-building, but it must be paired with technical mechanisms that produce measurable recognition outcomes.

The study also has limitations. It relies on secondary sources and therefore cannot claim to capture the lived experiences of halal businesses, certifying officers, consumers or Muslim minorities. It cannot measure the economic cost of non-recognition statistically. It also uses external market examples illustratively rather than as full case studies. Future research should use interviews with certification authorities and halal SMEs, surveys on consumer trust in Muslim-minority markets, and quantitative modelling of the cost of multiple certification regimes.

CONCLUSIONS

This article examined how institutional challenges and differentiated Islamophobia interact in shaping the halal industry's capacity to support inclusive development and regional cooperation. The revised analysis clarifies the research design, defines the case boundaries, explains the coding process and provides a stronger evidence trail from cited secondary sources. It also avoids treating Islamophobia as uniform across all contexts. Instead, it distinguishes state-level legislative restrictions in non-Muslim-majority settings, corporate or market-level bias in global trade, and intra-Muslim or post-colonial identity contestation in Muslim-majority settings.

The findings show that certification fragmentation, regulatory inconsistency and limited mutual recognition increase costs and weaken trust. These institutional problems are intensified when halal is misrepresented as religious imposition, when consumer activism reproduces Islamophobic narratives, or when domestic debates adopt stereotypes that devalue Islamic governance. The result is a mutually reinforcing cycle in which weak institutions feed suspicion and suspicion reduces the political will for institutional reform.

The article's main contribution is a revised framework that links institutional challenges, differentiated Islamophobia, standards politics and developmental outcomes. It argues that the future of halal governance should not be framed as a choice between national sovereignty and global standardization. A more realistic pathway is halal interoperability based on equivalence mapping, risk-based mutual recognition, joint accreditation, digital traceability and culturally competent communication.

If implemented, such an approach can strengthen the halal industry's credibility, reduce barriers for SMEs, support consumer confidence and promote regional cooperation. The halal industry should therefore be understood not only as a religious or commercial sector, but as a strategic platform where standards, trust, identity and development intersect.

Ethical Considerations

Ethical Approval: This study is based solely on publicly available secondary sources and does not involve human participants, animals, clinical data or identifiable personal information. Therefore, formal ethical approval was not required.

Conflict Of Interest

The authors declare that there is no conflict of interest regarding the publication of this article.

Data Availability

Data used in this study are derived from publicly available secondary sources, including journal articles, books, policy reports, industry analyses and institutional documents cited in the reference list. No new primary dataset was generated for this study.

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