Jurnal Ekonomi Syariah dan Industri Halal
Vol. 02, No. 2, Desember 2025, pp. 75~91
E-ISSN: xxxx-xxxx
DOI: xxxxxxx

Brunei's Halal Certification in Global Trade: Legal Barriers, Market Challenges, and Policy Solutions

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ABSTRACT

Brunei's halal certification is crucial to the nation's halal industry, as it reinforces Muslim consumers' faith and signifies that the products are religiously compliant, safe, and hygienic. Nonetheless, this certification framework encounters substantial legal and market obstacles in the global trade sector. While other countries possess more adaptable halal certification procedures that accommodate a broader array of markets, Brunei's adherence to madhhab (school of thought) Shafie imposes distinct limitations. Although many similarities are there, divergences arising from different madhhabs present difficulties for regulators, consumers, and halal product producers. Therefore, this paper is a library-based study that examines the legislative barriers, provides a comparative overview of the Malay world, notably Brunei, Malaysia and Indonesia, and proposes policy alternatives to improve Brunei's worldwide competitiveness in the halal market. The proposed strategies will further alleviate potential international trade disputes related to the export and import of halal products.

Keywords: Brunei; Global Trade; Halal Certification; Legislative Barriers; World Trade Organisation.

Article Info:
Received: June 2025 *Revised: October 2025* *Accepted: October 2025*

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1. INTRODUCTION

As stated by Loon (2025), trade is often regarded as a crucial instrument for developing nations to expand their resource base and fund their development initiatives. Numerous developing nations have achieved growth through liberalisation of trade policies and engagement in global trade. Additionally, many see the halal sector as a promising new avenue for economic growth because of its strong profit margins and promising future (Noor Azalie & Haji Samad, 2022).

The burgeoning halal market has garnered heightened global attention and established a significant presence in both developed and developing nations (Mohd Yusof et al., 2019). The supply of halal products is insufficient due to the growing Muslim population. Therefore, some Muslim countries have to buy halal products from foreign nations or non-Muslim producers to satisfy consumer demand (Azmar et al., 2024). As a result, many countries have started to implement their own halal legislation to make it easier to export and import halal products (Rokshana Shirin Asa, 2019a).

Thus, halal certification is fundamental to worldwide business for halal products as it guarantees compliance with Islamic dietary laws. A halal certificate serves as validation of an individual's claim of being a manufacturer or distributor of halal products (Sulaiman & Abdullah, 2023; Yusuf et al., 2016). The evolution of halal certification resulted not only from the demands of Muslim customers but also from its efficacy as a lucrative marketing instrument (Abdullah et al., 2021). This implicitly confers significant advantages to producers possessing halal labelling certification compared to their competitors lacking such certification (Rokshana Shirin Asa, 2019b).

The rapid expansion of the halal industry in Brunei and globally has demonstrated its capacity to enhance the economy of Brunei (Yusuf et al., 2016). Brunei is acknowledged for its robust halal standards and is strategically positioned to leverage many areas of the halal industry through its diplomatic relations and trade connections. Currently, Brunei is preparing to leverage its halal market to reinforce its status as the Global Halal Hub. One strategy involves creating a reputable organisation that advocates for and advances halal certification, serving as a foundation for local businesses to prosper (Sulaiman & Abdullah, 2023).

In Brunei, the halal certification is following *madhhab* (school of thought) Shafie. It is an essential component of Brunei's identity and a sign of its adherence to Islamic principles. In *madhhab* Shafie, for instance, a requirement for halal slaughter is the verbal recitation of *tasmiyyah* (invocation of Allah's name) during the slaughtering process and necessitating manual slaughtering (Khalid et al., 2018). Other *madhhabs* exhibit greater flexibility, permitting mechanical slaughtering under supervision, hence enhancing scalability and compatibility with international trade and they possess more expansive views of *tasmiyyah* (Artadita & Yuliani Dwi Lestari, 2019; Yustianingsih et al., 2024).

This stringent compliance presents numerous legal obstacles in a progressively globalised marketplace. In contrast to other nations that adopt more adaptable halal standards accommodating various *madhhabs*, Brunei's methodology encounters obstacles concerning market access, mutual recognition, and adherence to international trade regulations. This paper therefore analyses the legal barriers to Brunei's Shafie-based halal certification in international trade, compares the approaches of Malaysia and Indonesia, and proposes policy solutions to address these obstacles.

2. HALAL CERTIFICATION IN BRUNEI

According to Sulaiman & Abdullah (2023), the establishment of a special committee to oversee halal meat inspections in Brunei is believed to have been the birthplace of halal certification in the country in 1997 and this group became the board that granted halal certification in 1998. After transforming into Unit Halal Haram in 2001 and subsequently becoming BKMH in 2006, this board was housed inside the Department of Religious Affairs (DoRA) (Deuraseh et al., 2022).

Now, officials from Brunei Halal Food Control Division (BKMH) handle all aspects of halal certification, including applications, site audits, certification, and following audits, as well as the halal label issuance process. In an effort to establish halal certification, the government of Brunei established a committee with members from the following agencies: the State Judiciary, the Agriculture Department, the Ministry of Industry and Primary Resources, the Ministry of Health (MoH), the Islamic Judicial, BKMH, DoRA, and Ministry of Religious Affairs (MoRA) (Haji Ibrahim, 2022; Sulaiman et al., 2023). Additionally, all the certification process adheres to the teachings of *madhhab* Shafie which stipulates precise criteria for all halal products and services.

Furthermore, owners of food businesses are required to obtain a halal certificate, but non-food products, including pharmaceuticals, cosmetics, and services, may apply for certification voluntarily. Individuals seeking a halal certificate must navigate the procedure through BKMH, which is authorised to oversee halal certification, while MUIB retains the ultimate authority for approval or rejection. It can be asserted that BKMH is entirely responsible for all halal matters in Brunei, encompassing preparation, food handling, site auditing, and related activities, unless personnel from other departments are necessitated to aid in the audit (Hashim, 2021; Sulaiman & Abdullah, 2023).

Exports were feasible to specific nations, including Indonesia and Malaysia, owing to their trust in Brunei's halal certification. Thus, the certification is crucial in product positioning, as it highlights the narrative behind the Brunei logo, representing the nation as peaceful, Islamic, and compliant with Shariah law, thereby establishing a trustworthy branding strategy for overseas markets. In this regard, halal producers are not merely selling items; they are providing and delivering essential benefits to the overseas market, hence fostering trust and satisfaction (Sakti, 2023). Also, a number of Bruneian halal food items have supposedly received the health-promoting MoH seal of approval. Products might be standardised and exported more easily with the help of Brunei's halal certification and the recognition of food safety through Hazard Analysis Critical Control Point (HACCP) (Sulaiman & Abdullah, 2023).

Challenges of *Madhhab* Shafie

Islam is the official religion of Brunei, according to *madhhab* Shafie. The implementation of the Malay Islamic Monarchy Concept or Melayu Islam Beraja (MIB), as a national policy, which is said to be integral to Brunei's tradition and culture since the reign of the first Sultan, has significantly influenced Brunei's current identity (Haji Ibrahim, 2022). Consequently, Islam is observed as a comprehensive, flawless, and exemplary mode of existence and this encompasses the selection of halal products.

Nonetheless, though Brunei's stringent compliance with Shafie principles guarantees religious integrity, it complicates alignment with the varied halal standards in other locations. This due to the advancement of science and technology, coupled with globalisation, has influenced the application of this *madhhab* in the adjudication of halal items and their certification. Recently, there is a prevailing belief that this *madhhab* is rigid and illogical in addressing contemporary challenges, including those related to halal matters. Some assert that the strict regulation is ineffective in light of the increasing worldwide demand. Aside from that, there are limited recommendations to utilise alternative *madhhabs* that align with the demands and *Maqasid* (objectives) *Shariah*. (Hasanuddin & Tuan Muda, 2024; Tuan Muda & Ahmad, 2016).

Consequently, as a strict Islamic nation, Brunei exhibits greater rigour than other countries (Rokshana Shirin Asa, 2019a). Brunei's stringent certification standards may hinder the adoption of its products in nations with varying interpretations of halal. The strong demand for Brunei's halal products in overseas markets may hinder by these constraints and further restrict businesses' exports (Noor Azalie & Haji Samad, 2022). Other than that, it will prevent the business from expanding its export network and from satisfying the global demand for halal products (Noor Azalie & Haji Samad, 2022).

3. COMPARATIVE OVERVIEW OF HALAL CERTIFICATION SYSTEMS IN MALAY WORLD

Malaysia's Approach

The halal certification in Malaysia is overseen by the Department of Islamic Development Malaysia (JAKIM). The Prime Minister assigned JAKIM the duty of supervising Islamic issues and developing halal-awareness initiatives for halal producers, distributors, and importers. Furthermore, JAKIM also oversaw halal manufacturing facilities (Akbar et al., 2023).

Malaysia's halal certifications encompass the perspectives of various *madhhabs* including Shafie, Hanafi, Maliki, and Hanbali. The majority of verdicts in Malaysia are predominantly influenced by Shafie, particularly concerning halal matters (Pauzi & Man, 2019). However, if the perspective conflicts with public welfare and *maslahah* (benefits), they will accept the views of the Hanafi, Maliki, and Hanbali. If adherence to the four *madhhabs* is not possible, they will issue fatwas based on *ijtihad jama'i* (collective opinion) without restriction to the four *madhhabs*. This is well articulated in MS 2200:2008, MS 2424:2010, and MS 1500:2009 (Pauzi et al., 2018).

This is due to Malaysian Muslims residing in a heterogeneous culture. Their foundation comprised diverse ethnicities, religions, and cultures that significantly influenced the development of Malaysia's halal certification (Soraji et al., 2017). Consequently, the classification of halal and haram is of paramount importance to them. To satisfy the demands of Malaysian Muslims, they occasionally import food and products from non-Muslim nations, whose halal statuses remain uncertain due to the absence of standardised halal regulations and logos for products processing or manufacturing (Rokshana Shirin Asa, 2019b).

Therefore, the adaptability of Malaysian halal certification enhances its global acceptance (Pauzi & Man, 2019). The incorporation of various *maddhabs* enhances market access and international trade, since Malaysia has successfully aligned its halal certification with global standards. Malaysia's certification is extensively acknowledged in Association of Southeast Asian Nations (ASEAN), the Middle East, and various foreign markets, guaranteeing substantial consumer confidence in its products (Tuan Muda, 2019). Additionally, Malaysia's halal certificate has received accreditation, recognised as one of the premier halal certifications globally, adhering to Shariah principles and stringent standards and as of 2021, Malaysia's halal certification is recognised by 46 countries worldwide (Abdullah et al., 2021).

Indonesia's Approach

To oversee matters pertaining to halal in relation to food, medicines, cosmetics, and other items, the Indonesian Ulema Council (MUI) formed The Assessment Institute for Foods, Drugs, and Cosmetics of the Indonesian Council of Ulema (LPPOM-MUI) on January 6, 1998. Halal food, drinks, cosmetics, and pharmaceuticals have all benefited greatly from LPPOM-MUI's contributions to their composition. The organisation ensures that all certified products meet the requirements for halal certification on a national and international level (Akbar et al., 2023). Recently, more and more countries are recognising Indonesia's certification system for halal products, which has helped to expand Indonesia's worldwide commercial linkages, particularly in the Middle East

Indonesia is the most populous Muslim-majority nation in the world. The substantial Muslim population in Indonesia provides the nation with a distinct perspective on governance, particularly with the integration of halal living. Notwithstanding this, Indonesia's certification is strongly anchored in Islamic beliefs, and the nation has diligently endeavoured to align its standards with international trade regulations. The Indonesian government is obligated to ensure the availability of halal food for its population, as stipulated in the 1945 Constitution. The responsibility encompasses legal certainty regarding the halal status of all products intended for use, consumption, or utilisation by society (Rokshana Shirin Asa, 2019a).

Similar to Malaysia, Indonesia has adopted a more inclusive strategy by integrating diverse *maddhabs* (Rokshana Shirin Asa, 2019a). In Indonesia, Muslims are implementing *maddhab* Shafie for the rulings in their daily lives. However, the rulings issued by MUI does not entirely align with the Shafie, as it also incorporates perspectives from the Maliki, Hanafi, and Hanbali. Their receptiveness to the perspectives of four predominant *madhhabs* is also reflected in the determination of halal application rulings in Indonesia. The endorsement of the ruling hinges on which side possesses a more compelling argument and can provide larger *maslahah* to public welfare (Pauzi et al., 2018).

Brunei's Approach

Madhhab Shafie is the predominant *madhhab* adhered to in Brunei. It is one of the four *madhhabs* recognised by Ahl Sunnah Wal Jamaah and remains the most influential in Islamic history to this day. This *madhhab* was established by Muhammad bin Idris bin Abbas bin Uthman bin Shafi'i, who was born in 150 Hijrah and is acknowledged as Imam Shafi'i. Thus, the endorsement of Islam in accordance with Ahl Sunnah Wal Jamaah, according to Shafie under Brunei's constitution and royal decrees, signifies a serious commitment to the preservation of the nation's integrity. The long-term impact is evident, particularly in fostering uniformity and harmonisation within Brunei's society, hence minimising problems arising from ideological differences and misunderstandings, notably concerning religion due to variations in *madhhabs.* This measure was also implemented to avert any false teachings from infiltrating Brunei (Aminnuddin & Ramli, 2018).

Brunei's rigorous commitment to Shafie establishes a distinctive approach in contrast to Malaysia and Indonesia. Although its dedication to religious precepts is praiseworthy, the rigidity of its certification process may hinder Bruneian products from accessing worldwide markets. This is especially applicable to nations adhering to various *maddhabs* or possessing standardised halal regulations, such as those within the Gulf Cooperation Council (GCC) or the European Union (EU) (Akbar et al., 2023). The worldwide halal market is fragmented, with countries adhering to diverse halal standards influenced by various *maddhabs*. Brunei's stringent compliance with Shafie may render its certification less compatible with these wider frameworks. For instance, halal certificates in the GCC may not acknowledge Brunei's regulations, posing obstacles for Bruneian products seeking to penetrate these markets.

Differences in Brunei's *madhhab Shafie* and other *madhhabs*

The four major *madhhabs*, Shafie, Hanafi, Maliki, and Hanbali utilise the same fundamental texts (Qur'an and Sunnah), although they diverge in interpretation methods and the prioritisation of certain secondary sources. This, in turn, affects the countries that are adhering to specific *madhhabs*. This section will present examples illustrating the distinctions between Brunei and other nations, such as Malaysia and Indonesia, that adopt a hybrid approach.

Halal Slaughtering Practices

Madhhab Shafie for instance, mandates the spoken recitation of *tasmiyyah* (invocation of Allah's name) during slaughter and insists on manual slaughtering, indicating that mechanical methods are frequently deemed unacceptable. If none of these are adhered to, meat is deemed haram. Subsequently, Brunei becomes apparent, where the majority of slaughterhouses lack extensive mechanical procedures; when such methods are employed, they typically necessitate authorisation from MoRA (Khalid et al., 2018).

In contrast to Malaysia and Indonesia, which adopt a hybrid approach, mechanical slaughter is permitted under specific conditions, and there is a more expansive interpretation of *tasmiyyah*; for instance, a single invocation per batch of slaughter is deemed sufficient if the intention is clear and overseen by relevant authorities (Artadita & Yuliani Dwi Lestari, 2019; Yustianingsih et al., 2024). This strategy in turn enhances scalability and is more compatible with international trade globally.

Raw Materials Sourcing

An additional example will be the procurement of raw materials via the *istihalah* (transformation) process. All madhhabs generally accept the application of *istihalah* in permitting vinegar that has been naturally transformed from alcohol or from the skins of animals that have undergone tanning (Zalanni & Aghwan, 2022). However, Hanafi and Maliki expanded the application to include instances where an impure substance can attain purity through either natural or manufactured transformation. Brunei and Malaysia, excluding Indonesia, concurred to refrain from employing the idea of *istihalah* in their process for issuing a fatwa about alcohol. This perspective arises from the fact that both nations adhere rigidly to Shafie, which permits the application of *istihalah* only in specific circumstances. Concerning other *madhhabs*, the regulations demonstrate a level of flexibility and may be considered halal if the procedure is meticulously followed (Ahmed & Muhammad Taufiq, 2021).

Furthermore, the allowable concentration of ethanol differs across nations. Table 1 will depict the discrepancies in the permissible percentage of alcohol in halal food and beverages across the three countries.

Table 1. Allowable Percentage of Ethanol in Halal Food and Beverages

Nation	Percentage of Ethanol	Type of Ethanol
Brunei	2%	Naturally Formed
	Haram	Industrial Ethanol
Malaysia	1%	Naturally Formed
	0.5% in final product	Industrial Ethanol
Indonesia	1%	Naturally Formed
	1% for additives, but in the final product must have 0.0% presence of ethanol	Industrial Ethanol

Source : Pauzi et al., 2019

This indicates that Brunei's weakness lies in the restricted range of permitted ingredients and manufacturers. Brunei's stringent compliance with Shafie may restrict the international acknowledgement of its halal certifications, particularly in regions where diverse interpretations of ingredients are permitted. This also restricts Brunei's scope of halal acceptance and complicates the establishment of Mutual Recognition Agreement (MRA). This will thus hinder Brunei's ability to penetrate flexible markets. Malaysia and Indonesia's hybrid approach will facilitate halal producers and manufacturers in adhering to halal standards. This enhances their adaptability and broadens their international acceptance.

4. LEGAL BARRIERS AND TRADE CHALLENGES FOR BRUNEI'S HALAL CERTIFICATION

Divergence in Global Halal Standards

Differences in viewpoints and the meaning of the Qur'an and Sunnah are among the issues that matter to each *madhhab* (Akbar et al., 2023). Regulators, customers, and producers face challenges due to divergences stemming from various *maddhabs,* despite some shared principles. Some examples of topics covered in the Shariah section are halal, haram, najis, and Islamic slaughter, as well as their respective definitions and laws and different *maddhabs* can cause the criteria to vary.

Controversial topics encompass stunning, slaughtering, and labelling mandates. For instance, in Brunei, any stunning prior to slaughter is prohibited, and these regulations extend to meat imported from other nations into the country. Nonetheless, Standards and Metrology Institute for Islamic Countries (SMIIC), associated with the Organisation of Islamic Cooperation (OIC), has established the SMIIC 1: 2019 standard, which permits stunning; however, only electrical stunning is authorised for animals exhibiting significant resistance, while mechanical stunning remains prohibited and this is also agreed by the Indonesia's halal standard (Akbar et al., 2023). Due to these regulations, Brunei may refuse meat imports from countries such as Brazil or Australia, despite producers being certified halal by internationally acknowledged organisations, due to the use of stunning (Sinclair et al., 2023).

When products that have been halal-certified in one country face additional inspection or certification requirements in another, the potential for a halt in the transit of these products can arise due to the differences in national halal standards (Rachmania Nurul Fitri Amijaya et al., 2024). Thus, the consistency of halal certification standardisation is crucial for verifying the halal status of products both domestically and internationally (Nur Syamsiyah & Yudhistira Ardana, 2022). The disparities underscore the imperative for standardisation and harmonisation within the halal industry to address the growing demand for ethical products; yet, the standards must be tailored to satisfy the unique requirements of each country while conforming to international regulations (Akbar et al., 2023).

Non-Tariff Barriers (NTBs)

As a small nation, Brunei lacks the capacity to independently express its perspective on the international stage. The larger organisations such as World Trade Organisation (WTO) offer a platform that enhances the likelihood of achieving their ambitions in a globalised context. As a member of WTO, the country is granted most favoured nation (MFN) status (Loon, 2025).

The WTO's Agreement on Technical Barriers to Trade (TBT) seeks to mitigate non-tariff barriers (NTBs) in international trade, including those resulting from disparate halal standards. For fair international trade, unfettered access to markets is crucial. Global Agreement on Trade in Services (GATS), Sanitary and Phytosanitary (SPS) Agreement, TBT Agreement, and the 1994 General Agreement on Tariffs and Trade (GATT) are all agreements that WTO has worked to reduce. TBT Agreement seeks to lower obstacles related to technical regulations. These regulations include those that pertain to product composition, quality, safety, manufacturing processes, labelling, and other traits that are transferred among WTO members (Rachmania Nurul Fitri Amijaya et al., 2024). Nonetheless, Brunei's stringent halal certification process may be regarded as an unwarranted trade barrier, hindering market access. Countries with varying halal certification standards may perceive Brunei's regulations as barriers, resulting in increased compliance costs, certification delays, and restricted market access (Loon, 2025).

Examples of international trade cases concerning the export and import of products include instances reported by Brazil regarding a policy that restricts poultry imports from Brazil, due to non-compliance with Indonesian halal slaughter standards and labelling requirements, resulting in Indonesia's refusal to accept imported chicken meat from Brazil. This instance illustrates the lack of standardisation in halal regulations, leading to misinterpretation and disagreements between producers and consumers. Producers incur elevated production expenses as those seeking to export must adhere to various criteria to acquire the specific certifications mandated by each destination country (Sakti, 2023).

Mutual Recognition Challenges

At now, there exists no official MRA for halal certification system between Brunei and significant halal-importing countries, such as Malaysia and Indonesia. This absence of acknowledgement further impedes Brunei's capacity to augment its halal market share. Conversely, Malaysia has effectively secured MRA with multiple nations, facilitating enhanced market access for its halal-certified products. This has positioned Malaysia as one of the foremost exporters of halal products worldwide, with an estimated export value of USD 12.3 billion in 2023 alone (Rachmania Nurul Fitri Amijaya et al., 2024). Additionally, 12% increase in halal product exports from Malaysia in 2022 is evidence of the positive impact of MRA on trade dynamics (Rachmania Nurul Fitri Amijaya et al., 2024).

Nowadays, issues of variety of imported products are in circulation, raising concerns among the populace due to the absence of halal labelling (Ramlli et al., 2024). This warrants consideration regarding rules mandating that all products manufactured and distributed in Brunei be certified and labelled as halal (Sakti, 2023). Markets with significant sensitivity to halal matters may require a high degree of halal integrity to be incorporated into the product. This situation may compel exporting enterprises to modify their marketing strategies to align with expectations for halal quality and to safeguard against any cross-contamination risks (Mohd Yusof et al., 2019).

Conversely, nations with substantial Muslim demographics, like Malaysia and Indonesia, have established more extensive halal regulating systems. Malaysia, via JAKIM, has positioned itself as a frontrunner in halal certification, providing a comprehensive structure that ensures rigorous compliance with both domestic and international norms (Rachmania Nurul Fitri Amijaya et al., 2024). For Indonesia, the requirement for additional certification of products from nations without MRA under the Halal Product Guarantee Law Article 2(1) could be seen as a trade obstacle, which could go against the spirit of the TBT Agreement's non-discriminatory handling of imported products. This may create unnecessary further hurdles and hinder trade, despite the fact that MRA have removed such restrictions (Rachmania Nurul Fitri Amijaya et al., 2024).

Compliance with International Standards

Worries regarding the impact on trade are on the rise due to the prevalence of public halal regulation on a nationwide level. In addition to religious stipulations, halal products must comply with international standards. Lack of transparency, prejudice against imported goods, and needless trade barriers are all potential outcomes of halal standards and laws (Johan & Schebesta, 2022). Brunei's Shafie-based halal certification must also align with international standards for instance food hygiene, labelling, and traceability to provide enhanced market access. The difficulty resides in reconciling these international norms with the nation's stringent halal certification procedures.

The international halal standards for the term 'halal' were set by the Codex Alimentarius Commission, an intergovernmental agency for food standardisation that was jointly established by the Food and Agriculture Organisation (FAO) and the World Health Organisation (WHO), which has nearly universal membership. However, they alone will not be enough to establish a universally accepted halal standard. International trade transactions thus make use of a plethora of alternative halal standards. For example, there are global organisations like that issue halal standards, regional or intergovernmental organisations like ASEAN that provide guidelines on halal food, and there are also standards that are promulgated at the national level. In addition, a number of national standards have become globally recognised, for example, Indonesia's Halal Assurance System (HAS) and Malaysia's Malaysian Standard (MS) (Johan & Schebesta, 2022).

Halal standards and regulations may impose superfluous barriers to international trade, foster unfairness against imported products, and exhibit a deficiency in openness. Trade issues about halal have arisen even among Muslim and Islamic nations, particularly at the regional level within ASEAN (Johan & Schebesta, 2022).

5. POLICY SOLUTIONS FOR TACKLING LEGAL BARRIERS AND ENHANCING GLOBAL TRADE

Strengthening Regional Cooperation through ASEAN

Regionalism is a crucial element of Brunei's foreign political and economic connections. It became a member of ASEAN in 1984 and, as a senior member, fulfils a significant role. As of now, ASEAN comprises 10 member nations, with a population of 671 million and a collective Gross Domestic Products (GDP) of USD 3.6 trillion in 2022, ranking it as the fifth largest economy globally (Loon, 2025).

A cohesive ASEAN halal standard might establish a uniform framework that integrates certain concepts derived from *madhhab* Shafie while accommodating varied practices around the region. By advocating for a regional MRA within ASEAN, Brunei can secure recognition of its halal certification by other member states, thereby diminishing trade obstacles in the region. Moreover, *Maqasid Shariah* emphasises the need of fairness in business and commerce. In this case, the halal certification must be guarantee that produced and marketed products also comply with established standards and do not deceive consumers (Hasan & Abd Latif, 2024).

Bilateral and Multilateral Trade Agreements

Global collaboration ensures the advancement of halal products. The presence of a halal certification authority is crucial in bilateral and multilateral ties, since it ensures that foreign products entering Brunei adhere to halal standards. Conversely, through mutual recognition, domestic halal products (exports) may be recognised in many nations due to existing parallels in halal standards (Nur Syamsiyah & Yudhistira Ardana, 2022).

Brunei can engage in negotiations for bilateral agreements with significant halal markets, like the EU and the Middle East, to get acknowledgement for its halal certification. These agreements may facilitate the inclusion of Bruneian products in markets by addressing certification differences. A Memorandum of Understanding (MoU) on Shariah Compliance Products, Development, and Trade was signed between the Brunei Darussalam BIMP-EAGA Business Council (BD-BEBC) and Taiwan, demonstrating Brunei's involvement in halal sector collaboration. The halal economy in the BIMP-EAGA, which stands for Brunei, Indonesia, Malaysia, and the Philippines East ASEAN Growth Area, is set to be boosted by this agreement, with a particular focus on halal certifications and products. This serves as an impetus and foundation for improved dialogue and cooperation between Brunei Darussalam, Taiwan, and the global halal industry (Sulaiman et al., 2023).

To conform to the rules of international trade, Brunei should contemplate the expansion of its MRA, thereby enhancing international trade flow and mitigating trade conflicts. Implementing best practices from Malaysia and Indonesia, including streamlining the certification process and promoting international collaboration, can enhance Brunei's halal certification structure. Moreover, collaborating with foreign organisations to standardise halal regulations will enhance global commerce and bolster Brunei's standing in the international halal market (Rachmania Nurul Fitri Amijaya et al., 2024).

Furthermore, to promote improved standard harmonisation and ease the resolution of regulatory conflicts, it is possible to establish international working groups that bring together representatives from numerous states. A 2023 assessment by the Islamic Chamber of Commerce, Industry, and Agriculture (ICCIA) indicated that discrepancies in halal standards among nations could diminish worldwide trade in halal products by up to 10% each year (Rachmania Nurul Fitri Amijaya et al., 2024). Thus, reducing unnecessary trade barriers is possible through harmonising the protection of religious beliefs with the promotion of international trade through incorporating the principles of the WTO's TBT Agreement into national halal regulations.

Enhancing Global Recognition Through Technology

Ensuring product compliance with halal requirements can be challenging due to sourcing from several nations. Nonetheless, the advancement of blockchain and traceability technology might enhance transparency inside the supply chain. To accomplish this, enterprises must uphold comprehensive records and documentation of their supply chain (Akbar et al., 2023; Ramlli et al., 2024).

Utilising technology, such as blockchain, for supply chain monitoring can improve the transparency and integrity of halal certification processes, facilitating the maintenance of uniform standards across borders. Dinar Standard's empirical research in 2024 suggests that the adoption of blockchain technology can decrease compliance costs by 30%, rendering it an effective instrument for standardising halal certification (Rachmania Nurul Fitri Amijaya et al., 2024). Consequently, employing blockchain for halal certification can improve transparency, traceability, and accountability, facilitating the global recognition of Bruneian products (Azmar et al., 2024). The establishment of digital halal certification platforms helps optimise the process and enhance international trade.

Legal Harmonisation with International Trade Standards

Brunei could implement a dual-compliance system that adheres to both the ideas of *madhhab* Shafie and international trade regulations. By permitting a degree of freedom in its certification procedure, Brunei can improve the acceptance of its products while maintaining religious integrity. To ensure uniformity and enhance international trade, international halal standards, such as those formulated by OIC, should be established and embraced. Ambiguity frequently exists regarding the definition of halal within Muslim communities and among scholars. Therefore, certification authorities can engage with religious organisations and scholars to achieve a consensus on halal criteria. Well-defined standards and rules can mitigate misunderstanding and promote consistency (Hosen & Lathifah, 2018).

SMIIC is an example of government agency that works with the OIC to set standards for products and consumer safety. This helps OIC member states compete better in the market and promotes free trade. The OIC/SMIIC 2: 2019 is a set of norms and guidelines that must be followed in order for halal certification bodies to fulfil their mandates and for halal certification operations to take place. In addition, the principles and processes for the overall assessment and approval of halal certification agencies on a global and regional scale were laid out in OIC/SMIIC 3: 2019 (Akbar et al., 2023).

In addition, reducing the likelihood of trade conflicts and increasing confidence among member nations requires openness in international trade policy. Openness includes being forthright when policies are being made and when trade laws are being enforced (Ramlli et al., 2024). Transparent nations have less conflicts and more openness can lead to less mystery and better conflict settlement.

Achieving transparency, however, is not always simple and requires commitment from everyone concerned, as they point out (Rachmania Nurul Fitri Amijaya et al., 2024).

In order to facilitate international trade and remove technological obstacles, product standardisation works to harmonise product requirements. Thus, it is critical that national groups like MUIB, JAKIM and MUI work more closely with international organisations like Codex Alimentarius or SMIIC. More consistent regulatory frameworks, with fewer gaps and more reciprocal acknowledgement of standards, can be the result of collaborative efforts. WTO has highlighted the potential economic benefits of a unified halal certification system, claiming that a 20% increase in international trade would result from standardisation efforts (Rachmania Nurul Fitri Amijaya et al., 2024).

6. CONCLUSION

Brunei's halal certification system, based on *madhhab* Shafie, exemplifies religious integrity and quality assurance. Nonetheless, as global trade grows more interconnected, this rigid compliance has exposed considerable legal and business issues, especially when compared to the more adaptable certification methods of regional counterparts like Malaysia and Indonesia. Their divergences, although based on genuine legal disparities, may impede Brunei's capacity to fully capitalise on its halal business globally.

This paper illustrates that while Brunei's certification guarantees religious adherence, it must also adapt to the evolving landscape of global markets and international trade systems. Legal discrepancies, obstacles to mutual recognition, and the absence of harmonisation in halal standards necessitate strategic reforms. By learning from adjacent models and implementing pragmatic policy innovations while maintaining its religious tenets, Brunei may establish itself as a competitive and esteemed participant in the global halal economy.

Ultimately, tackling these challenges through legal harmonisation, policy adaptability, and international cooperation will enhance Brunei's halal export capacity, mitigate trade disputes, and cultivate greater trust among both Muslim and non-Muslim markets.

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