

DEVELOPMENT OF HALAL INDUSTRY AS HALAL ECONOMIC SOURCE: ROLE OF SYARIAH COMPLIANCE COMMISSION

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ABSTRACT

The development of the halal industry has had a significant impact on the growth of the halal economy in Malaysia. Along with the speed of the economy, products and services that are halal and sharia-compliant are getting more and more attention and demand at the global level, making Malaysia the leading producer of syariah-compliant products. The rapid development of the halal industry shows its role in increasing the country's halal income source and making Malaysia a competitive country ready to meet the needs of the local and global market. Adherence to Islam is essential in guaranteeing the blessing of a muamalat and transaction. It is also a necessity for humans to manage financial affairs in daily life. A Syariah-compliant system is considered to be able to take care of people's economic well-being prudently. Therefore, the Maqasid Syariah can be applied through a Syariah-compliant system in daily life, as has been emphasized in the Islamic religion. Therefore, this article will discuss and present the need for the human will to obey the concept of syariah compliance for the benefit of their lives. This article will also examine the recommendations for the establishment of a Syariah Compliance Commission by the Prime Minister of Malaysia and describe its function and role in increasing the halal economic resources in Malaysia in addition to discussing the efforts taken by government agencies that are indirectly involved in the development of the halal industry. This study uses a qualitative study method with a content analysis method of documents and articles related to this field. The results of the study found the importance of Syariah compliance in our daily lives, which impacts the halal industry development in Malaysia.

Keywords: *halal industry, syariah compliance commission, halal economy, Islamic finance, syariah advisory council, Maqasid Syariah*

INTRODUCTION

Islam is a comprehensive religion. It embraces all human requirements, such as belief, worship, *muamalat*, *munakahat*, crime, and manners. In short, Islam sets laws, standards, and regulations governing all elements of humans. Moreover, the objective of Islamic jurisprudence is to ensure human well-being in this life, the hereafter, or even both (Mahmood *et al.*, 2011). Also, Allah SWT has clarified to humans in the *Quran* what is good and harmful, permissible and prohibited, for the benefit of all humankind in this world and the next (Muhammad *et al.*, 2008).

All things and acts are bound to five principles which are *halal* (permissible), *haram* (prohibited), *sunat* (habitual practice from Prophet Muhammad SAW), *makruh* (dislike or offensive act), and *harus* (inivetiably, either choose to do or not to do). As the *Quran* has stated in *Surah Al-A'raf*, verse 157: -

وَيُجَلِّ لَهُمُ الطَّيِّبَاتِ وَيُحَرِّمُ عَلَيْهِمُ الْخَبَائِثَ وَيَضَعُ عَنْهُمْ إِصْرَهُمْ وَالْأَغْلَالَ الَّتِي كَانَتْ عَلَيْهِمْ^٥

Meaning: "[H]e commands them to do good and forbids them from evil, permits for them what is lawful and forbids to them what is impure, and relieves them from their burdens and the shackles that bound them".

Allah SWT tells us to eat or use halal things, and we are advised to avoid forbidden items. Nevertheless, there are also some dubious elements between those two that society frequently overlooks. As Muslims, we must distance ourselves from *syubhah* matters (any item or substance that is questionable or suspect, which its source is unknown) to prevent engaging in unlawful actions (Abdul Halim, 2012).

Definition of Halal

The term '*Halal*' is derived from the Arabic word signifying allowed or permitted. It appears 49 times in the *Quran*. As a result, the majority of the moment, the term *halal* refers to Muslim cuisine as defined by Allah SWT in *surah Al-Baqarah*, verse 172: -

يَا أَيُّهَا الَّذِينَ ءَامَنُوا كُلُوا مِن طَيِّبَاتِ مَا رَزَقْنَاكُمْ وَاشْكُرُوا لِلَّهِ إِن كُنتُمْ إِيَّاهُ تَعْبُدُونَ

Meaning: "O believers! Eat from the good things We have provided for you. And give thanks to Allah if you 'truly' worship Him 'alone'."

The majority of traditional and contemporary jurists agree that the origins of everything are halal or permissible as long as no verse expressly forbids it. Al-Qardhawi (2007) interprets *halal* as obligatory, has a bond with prohibited laws, and is authorized to be implemented by syariah. Thus, *halal* is defined as acceptable and allowable or operating according to the syariah.

Moreover, *halal* covers all aspects, including food and hospitality. Therefore, the definition of '*halal*' embraces goods and services described as *halal* or any other term indicating that they are permissible for use by Muslim consumers (H. Abdul Wahab & Azhar, 2020). The *Quran* comprehensively explains *halal* and *haram* concerning nutrition in *Surah al-Baqarah* verse 172. The purpose of Islamic law is to protect human well-being in this life and the next. Allah SWT has clearly described to humankind what is good and what is evil, as well as what is permissible and unlawful, for the benefit of human existence in this world and the next. *Halal* things will have a positive and valuable effect, whilst prohibited things will cause harm and *mafsadah* (evil) to humankind (Al-Qardhawi, 1994). Hence, consuming and utilising non-*halal* food products causes retribution in the hereafter.

Furthermore, Malaysia is a Muslim-majority country with a diverse society of various ethnic and religious backgrounds, Islam, Buddhism, Christianity, Hinduism, and other religions form the basis of Malaysian Islamic society. Mohamad et al. (2022) explained that the presence of many religious believers in Malaysia gives a different picture of the spiritual climate of the people in this country. It assembles Malaysia as one of the most attractive halal destinations for international tourists because of its Muslim population and has Muslim-friendly service, food, and accommodation. Therefore, it is a contributing factor to the nation's economy. Malaysia is an Islamic nation, so all *muamalat* activities must follow syariah. Thus, *halal* is a principle that could be entirely encompassed within a product construct; *halal* extends significantly further into the disciplines of the firm, strategic management, cultural psychology, and sociology (Miskam et al., 2015).

The application of *muamalat* rules in financial management must follow to syariah law, which has been founded by Islam. Therefore, adhering to syariah implies observing Allah SWT commands and prohibitions to receive His blessings (Abdul Ghani & Yaacob, 2021). According to Hamka (1993), economic prosperity, particularly matters of *muamalat*, is linked to the prosperity of faith. Regardless of the amount of prosperity, it will not bring blessings if people lack faith and piety. While the *muamalat* and Syariah-compliant lifestyle criterion is generally based on the Islamic concepts of faith, syariah, and morality, supervision of *muamalat* matters will involve Islamic law, corresponding current fatwas, and establish religious authorities' standards (Opir et al., 2017). Therefore, implementing this Syariah-compliant system is intended to benefit society and prevent harm.

Therefore, this paper will discuss the issue of how the *halal* industry improves the *halal* economy in Malaysia, and the researcher will begin the paper by exploring *halal* industry marketing. Next, the researcher will discuss the Prime Minister's draft to establish Syariah Compliance Commission for better and systematic Islamic financial and halal economics in Malaysia, then will define the possibilities, roles, and functions of the Syariah Compliance Commission. In the next section, the researcher will discuss the relationship between *Maqasid* Syariah and the halal industry and the application of the concept of *Maqasid* Syariah by the Syariah Compliance Commission in enhancing the halal economy in the country. Lastly, the conclusion will be made to enlighten this issue, and several suggestions will be included.

Halal Industry

The concept of the *halal* industry is popularised during World Halal Forum 2011 in Malaysia. It embodies *halal* food, non-food, skincare products, pharmaceutical industries, financial management, lifestyle, healthcare, hospitality, logistics, and certifications (Masood & Abdul Rahim, 2020). More than 1.8 billion Muslims and a rising number of non-Muslim *halal* consumers have recognised *halal* as a way of life, boosting consumer demand today. According to Malaysia Islamic Finance (MIFC), the average worldwide expenses of Muslim consumers in food and lifestyle sectors was US\$2 trillion in 2013 and is estimated to rise to US\$3.7 trillion by 2019 at an annual compound rate of growth of 10.8%; in the meantime, the tourism sector indicated US\$140 billion in 2013 and is forecast to increase to US\$238 billion by 2019 (Nisha & Iqbal, 2017). These figures prove that the global *Halal* industry is vast market potential and rapid growth.

Moreover, the *halal* industry in Malaysia has rapid development, which has successfully breached the international market, particularly in the halal food sector. It has brought up Malaysia's profile and boosted it to the ranks of the respected and highly regarded country (Mohd Shahwahid *et al.*, 2015). Alawode *et al.*, (2022) mentioned that the *halal* economy is essential for Malaysia's economic growth, representing approximately 7.5 percent of the Gross Domestic Product (GDP) in 2022. It is because this industry is more than just producing and distributing halal goods and services. It is also about developing a comprehensive business plan (Hassan *et al.*, 2021).

Next, the *halal* food industry is booming fast and is soon expected to become a significant international influence (Yaakub & Sham, 2021). *Halal* cuisine is essential to respect Islamic hygiene principles, health, and value. Muslims generally consume *halal* cuisine due to their religious obligations. Meanwhile, most non-Muslim consumers prefer *halal* food products because of their cleanliness and hygienic standards (Bashir, 2020). For instance, Brazil and Australia are the Middle East's most extensive *halal* livestock and beef suppliers, while Thailand produces the most halal-processed food worldwide (Nisha & Iqbal, 2017). Over time, the *halal* concept can be utilised in the food business and the cosmetics, manufacturing, product distribution, clothing, and service industries (Aziz *et al.*, 2015). It has given rise to an increasing demand for non-food products that correspond to Islamic criteria. For instance, cosmetics and personal care products must follow the Syariah guidelines for ingredients, standards, certifications, and safety (Hashim & Hashim, 2013).

Besides, halal medications and healthcare goods are in high demand because they do not contain substances that are harmful to the body over time. In addition, Thailand manages a world-class *Halal* Science Centre that establishes standards and procedures for detecting forbidden substances in personal care and healthcare items (Nisha & Iqbal, 2017). Furthermore, *halal* tourism is a rapidly expanding section of the travel industry that refers to hospitality services and goods that adhere to Islamic principles. *Halal* tourism is usually related to *Umrah*, *Hajj*, and Pilgrimage (various Islamic rites). It offers travel sites and tour packages to accommodate Muslim religious considerations and satisfy worldwide demands (Aziz *et al.*, 2015). It indicates how *Halal* tourism continues to expand its influence, as the variety of Halal beach resorts has risen (John, 2017). Also, the global *Halal* industry hosts events such as the *Halal* Tourism Conference to promote the *Halal* idea in the travel industry.

Halal Industry Marketing in Malaysia

Malaysia's *halal* industry is closely monitored by the *Halal* Industry Development Corporation (HDC) which encourages a balanced way of life, also through a variety of mediums clothing, and other (Abd. Aziz *et al.*, 2015). *Halal* Development Corporation was founded by the government of Malaysia on September 18th, 2006. HDC strives to strengthen Malaysia's *halal* industry through global expansion, innovation of halal products and services, as well as yearly halal events such as the World Halal Forum and World Halal Research Forum (WHR) (Samsudin & Dani, 2022). Additionally, Malaysia is located in the Asia-Pacific region affords a suitable operating climate, policies, and institutional infrastructure that support *halal* industry development. These standards assist Malaysia's halal product and industry development. However, the features of syariah compliance in Malaysia are currently governed by three different institutions. These entities are the Bank Negara (Islamic finance), the Securities Commission (investment), and the Malaysian Islamic Development Department (*halal* industry) (Mat Husin, 2022). Each of these separate entities has its own Syariah Advisory Council, which is governed by the feature of Syariah compliance.

Bank Negara Malaysia

Bank Negara Malaysia is one of the government institutions responsible for supervising Islamic finance in Malaysia by utilising a strategy compatible with Syariah. It is trustworthy for carrying out this supervision. The Syariah Advisory Council of Bank Negara Malaysia is a highly respected organisation in Islamic finance. It is entrusted with performing *ijtihad* on matters that occur relevant to *muamalat*.

The Syariah Advisory Council of Bank Negara Malaysia was established under Part VII, Islamic Financial Business, of the *Central Bank of Malaysia Act 2009* [Act 701] in order to ensure that legal disputes can be handled appropriately through *ijtihad* performed by qualified professionals (Mustafa & Ab Rahman, 2021). As defined in *section 30 of the Islamic Financial Services Act 2013* [Act 759], the government has ordered that any financial institution that intends to operate an Islamic financial system must establish a Syariah Committee to advise the institution on Syariah-related matters (Mohd Arif & Markom, 2013). This requirement applies to all financial institutions.

The Syariah Advisory Council is an authorised organisation to define all Islamic finance-related laws, ensuring that every financial institution complies with Syariah (Mustafa & Ab Rahman, 2021). It advises BNM and other related parties about Islamic finance and is their primary point of contact. As stated in *sections 51 to 58 of the Central Bank of Malaysia Act 2009* [Act 701], the Syariah Advisory Council BNM is also seen as an authority when it comes to practising law. This section covers the BNM Syariah Advisory Council's establishment, functions, and rulings.

According to Mustafa & Ab Rahman, (2021) the establishment of Syariah Advisory Council BNM is indicative of the growth of Malaysia's Islamic financial sector. Syariah Advisory Council BNM has been tasked with ensuring syariah compliance to Islamic banking, *takaful*, Islamic money management, and market commercial by advising on any syariah-related issues, practises, and transactions pertaining to Islamic financial business, as stipulated in *Section 52 of the Central Bank of Malaysia Act 2009* [Act 701]. Thus, the engagement of Syariah Advisory Council BNM representatives in *ijtihad* may assist in the expansion of development in the Islamic finance industry.

Securities Commission

The capital market is a venue where companies and governments can invest long-term profit using financial tools like bonds and securities (Hayes, 2021). Usually, it is a venue where investment funds such as stocks and bonds are traded. A capital market governing body was established to safeguard the privileges of market participants and make sure the capital market works well (Ngadimon, 2009). Supervision is very essential to prevent any sort of falsification and protect investors' interests better.

In a financial system, the capital market is a very important part. In general, the capital market makes it easy to shift funds from areas that contain more profit than they necessitate to aspects where it is required. This can occur directly when the entity in need of funding sells shares to individual investors, or indirectly when it acquires capital through a financial management organisation

(Ngadimon, 2009). The efficacy of diverting funds from various sectors to sectors in need can improve the efficiency of economic activities and promote the well-being and prosperity of society. This is possible because the economic system can efficiently route the flow of capital between industries. Therefore, effective financial mobilisation can boost a nation's economic productivity.

The Securities Commission is the exclusive regulatory body for the capital market in Malaysia. It was set up on March 1, 1993, under the *Securities Industry Act of 1993*. It is a self-financing government agency with the power to investigate and take action. The aim of the Securities Commission is to promote and maintain a fair, efficient, and transparent securities and derivatives market, as well as to assist in the orderly growth of an innovative and competitive capital market (Othman & Ramli, 2019). It is also responsible for reporting to the Minister of Finance and presenting its annual financial statements to Parliament (Ngadimon, 2009). In addition to its regulatory duties, the Securities Commission is mandated by law to stimulate and promote the growth of Malaysia's securities and futures markets.

Then, the Syariah Advisory Council was established under the Commission Act as an additional formal organisation. To exercise the functions granted to it by the Securities Commission under the *Securities Commission Act of 1993* [Act 498], the Securities Commission has established this Syariah Advisory Council. According to Section 16 of this Act, the Securities Commission has complete discretion in performing its mandated functions under the Securities Laws (Ngadimon, 2009). Also, *Section 18 of the Securities Commission Act of 1993* [Act 498] permits the Securities Commission to establish a committee to assist it in carrying out its functions under the Act.

In addition, the Securities Commission has the authority to designate any qualified person to serve on the committee. With the establishment of the Syariah Advisory Council, the Islamic financial market was established as a point of reference on a global scale. As a result of the Securities Commission's position as the only regulatory authority in Malaysia, the Syariah Advisory Council, established by the Securities Commission's powers under the Commission Act, can foster an atmosphere conducive to determining the capital market options that comply with Syariah law.

The Syariah Advisory Council of the Securities Commission plays a crucial role in Malaysia's Islamic capital market's development and growth. In fact, their efforts are substantial in improving and assuring that the products and services offered in Malaysia's Islamic capital market correspond to Syariah principles, enabling Malaysia to present itself as an attractive destination for Islamic investment (Ngadimon, 2009). This is because Malaysia is the only nation that provides a complete and advanced Islamic capital market regarding its financial products, legal and regulatory framework, and continual service and education sector support.

JAKIM Halal Hub Division and the Halal Business Development Corporation (HDC)

In Malaysia, the JAKIM Halal Hub Division and the *Halal Business Development Corporation (HDC)* are two organisations that contribute significantly to the growth of Malaysia's *halal* industry. The Halal Hub Division of JAKIM focuses primarily on maintaining a network of government organisations. It is collaborating with a network of government organisations, including the State Department of Islamic Religion (JAIN), the Ministry of Health Malaysia (KKM), the Ministry of Domestic Trade, Cooperatives and Consumerism (KPDNK), the Department of Veterinary Services (JPV), the Department of Chemistry, and several other agencies vital to the development of the *halal* industry in Malaysia (Badarulzaman *et al.*, 2016). The connectivity between the JAKIM Halal Hub Division and these organisations is essential for implementing the rules and regulations established under the Malaysian Halal Certification system.

Meanwhile, HDC which is also known as the Halal Industry Development Corporation was formed on 18 September 2006 due to Dato' Seri Abdullah Ahmad Badawi's objectives to transform Malaysia into a significant international halal centre. HDC is a firm founded in his address during the introduction of the 9th Malaysia Plan on 31 March 2006, and he stated that the establishment of HDC is intended to promote the orderly and comprehensive growth of the halal business in Malaysia (Mohd Shahwahid *et al.*, 2015). This HDC's responsibilities include influencing the development of the *halal* industry so that enterprises that offer *halal* goods can enter the global market, developing and promoting

the Malaysian *halal* brand, and promoting the idea and service of *halal* products throughout Malaysia (Abdul Hamid *et al.*, 2015).

Early in its formation, HDC was involved in the management and distribution of *halal* certification. However, the Islamic Development Department of Malaysia (JAKIM) has taken on this responsibility. It seeks to enable HDC to concentrate on worldwide *halal* hub development activities. According to Mohd Shahwahid *et al.*, (2015) in his article stated that this decision is the correct course of action since it has been demonstrated that HDC's function is more effective when it focuses on growing and ensuring the viability of the Halal business. HDC is responsible for guaranteeing the integrity of *halal* standards, preserving the highest quality, and offering solutions that fulfill the requirements of Syariah principles and the commercial sector. Therefore, HDC's concentration is on the growth of the *halal* industry, and it is not involved in law enforcement concerns.

In short, JAKIM Halal Hub Division and HDC offer a *halal* industry growth platform through the organisation's network aspect. These two organisations work with other networks to coordinate activities. JAKIM Halal Hub Division has partnered with KPDNK, JAIN, and KKM to enforce Malaysia's *halal* certification regulations. While, HDC operates as an intermediary between government agencies like Malaysia External Trade Development Corporation (MATRADE) and Ministry of International Trade and Industry (MITI) and the private sector, notably industrial enterprises, to increase firms' competitiveness in the global market (Zakaria *et al.*, 2022). The network feature of the organisation network developed throughout the Malaysian *halal* sector's development is expected to give network-related organisations attractive opportunities.

In a nutshell, the *halal* industry is a large sector that governs numerous aspects. It includes various important sectors that contribute to the national economy, including food, tourism, media, cosmetics, pharmaceuticals, recreation, and banking and finance (Muhammed, 2022), as JAKIM and HDC is a Malaysian organisation designed to regulate the *halal* sector. Securities Commission & Bank Negara Malaysia also make a substantial contribution to Syariah-compliant operations and the growth of the *halal* economy. This is because, the legislative rules, policies, and standards stated in *halal* affairs in Malaysia are based on the *halal* principle and the concepts given in the *Quran* and *Sunnah*, as well as the views of respected Islamic scholars (Abdul Wahab *et al.*, 2015).

Syariah Compliance Commission

The importance of the role and contribution of the local *halal* economy to economic development can be improved or strengthened. According to the Global Islamic Economy Report (2016/2017 to 2020/2021), Malaysia has the highest indicator ratings for the global Islamic economy (Sharifudin, 2022). Malaysia thrives in the Islamic financial industry. In addition, the *halal* economy is currently more pervasive and expanding in the financial and food sectors, indicating that it is appropriate that the *halal* economic element requires attention and correction. In Tun Abdullah Ahmad Badawi's Lecture in 2022 titled '*Halal* Economy,' Dato' Sri Ismail Sabri Yaakob proposed the establishment of a Syariah Compliance Commission to enable Malaysia to become a world reference Centrepoint in implementing procedures for handling *halal* certification guide to the food production sector, financial management, and industry operations (Mat Husin, 2022).

Considering existing legislative concerns are more limited to the Islamic financial industry, which Bank Negara Malaysia administers (BNM), the Securities Commission (SC), and the Malaysian Islamic Development Department (JAKIM) supervise the *halal* industry (Ahmad, 2022). Thus, establishing the Syariah Compliance Commission will consolidate a more comprehensive regulatory framework. By forming the Syariah Compliance Commission, Malaysia could unite these three organisations and advance the *halal* economic sector, allowing for the complete implementation of the Syariah-compliant aspect. This merger will undoubtedly improve the coordination of efforts to expand the *halal* financial industry in Malaysia, where the Syariah-compliant element may be applied entirely. Mat Husin, (2022) stated that establishing this Syariah Compliance Commission will indirectly boost Malaysia's capacity to contribute to the global *halal* economic sector, which is projected to reach RM10 trillion by 2024.

In broad strokes, the concept of establishing a Syariah Compliance Commission will become a primary pillar for the establishment of the Islamic economy in Malaysia through the standardizing of the halal industry. This will be accomplished through streamlining under the same legal framework and sharia governance. The establishment of the Syariah Compliance Commission is predicated on the idea of a government body that performs functions similar to those of BNM, JAKIM, HDC, and the Securities Commission; however, it is more comprehensive in the sense that it includes all aspects of the halal industry as well as Islamic finance (Muhamed, 2022).

Moreover, the Syariah Compliance Commission performs its duties in the same manner that the present Syariah Advisory Council does in every government agency that implements the principle of Syariah compliance. In addition, the Syariah Compliance Commission can also take action by constructing and establishing cooperation between all enforcement bodies in the halal sector (Muhamed, 2022). This cooperation can include finding the most effective solution to syariah compliance and lowering the risk of effective syariah non-compliance.

Thus, the Syariah Compliance Commission is a government endeavour to achieve the national aim of promoting Islamic and *halal* economic activity. It is intended to fulfil the country's mandate to promote Islamic and halal economic activity. Therefore, syariah management is a crucial way to ensure that the activities and processes of an organisation that advertises its services and products as "Syariah-based" meet religious requirements. So, the Prime Minister's suggestion to make a Syariah Compliance Commission is a good step toward making a complete and adequate structure, function, and process for governance. The commission can also help increase the supply of halal goods and services, making the country's *halal* industry more complete and more competitive globally.

Maqasid Syariah & Halal Industry

Maqasid Syariah is one of the significant aspects taken into consideration while deciding various Syariah principles applicable to present issues and circumstances. The importance and role of *Maqasid* Syariah are not limited to the determination of a legal issue; it is also widely used in the development system of an Islamic nation to ensure the enactment of laws and regulations in the social, economic, and political aspects that are consistent with Islamic requirements and compensations. Therefore, the implementation of *Maqasid* Syariah in all parts of life contributes to the promotion of the Islamic principles of well-being.

Relationship between Maqasid Syariah and the concept of Syariah Compliance

As Islam is an all-encompassing faith, it encompasses every element of existence. Moreover, Islam serves as a guide and orders life following Syariah. Thus, it is compulsory for a Muslim to act under Syariah's guidelines. Moreover, Syariah-compliant is no longer a foreign concept, given the current state of affairs and the high level of religious consciousness among Muslims today. In fact, many Muslims prefer products or services that are known for being Muslim-friendly or Syariah-compliant, particularly in the Islamic banking and finance industry. However, Muslim-friendly services and goods are not restricted to the food and banking industries alone; they also extend to a variety of other industries (Muhamed, 2022).

The implementation of *Maqasid* Syariah, *Dharuriyat Al-Khams* is equivalent to the Syariah compliance idea that is currently in use. Both of these things are comprehensive in the sense that they look out for the well-being and safety of each individual. Dr Wahbah al-Zuhailly referred to it as *Maslahah*, which cannot be divorced from religious or secular human life. If it is gone, worldly life will be faulty, widespread corruption will prevail, and eternal enjoyment (in the afterlife) will be lost. As an alternative, retribution in the hereafter (Tarmizi, 2018). *Dharuriyyat al-Khams* is the preservation of human interests, which can be summed into five main classifications:

Hifz Ad-Din

Hifz ad-Din means putting religious laws and ideals into practice (Al-Khadimi, 2001). First and foremost, it must be acknowledged that every activity is a form of worship to Allah SWT, in addition to being a *fardhu kifayah* requirement for Muslims, to ensure that this subject is maintained (Mohd Noor & Mohd Noor, 2018). The command to *Ubudiyyah* or monotheistic of Allah SWT as the creator as one of the *maqasid* syariah is very clear stated in the *Quran*. This is by virtue of the *Quran* in *Surah al-Zariyaat*, verse 56: -

وَمَا خَلَقْتُ الْجِنَّ وَالْإِنْسَ إِلَّا لِيَعْبُدُونِ

Meaning: "I did not create the Jinns and the human beings except for the purpose that they should worship Me."

According to Imam al-Qurtubi, this verse instructs humankind and jinn to recognise Allah SWT as the One God. He cited the words of Ali RA, who stated that Allah SWT did not create people and jinn for anything other than to command them to worship. The preceding Quranic verse explains that dedication and self-sacrifice to Allah SWT are essential *maqasid* (Tarmizi, 2018).

After comprehending it, *halal* industrial companies in the travel, media, cosmetics, pharmaceutical, banking, and finance sectors will make sure that all syariah requirements are completed and that all syariah prohibitions and constraints are avoided to take care of their religious obligations. They will make an effort to create a Syariah-compliance environment that will encourage their customers' acts of worship of Allah SWT. For example, the halal hotel industry can provide *Quran* and prayer mats, in addition to having *Qiblah* direction markers in each room as one of the ways to make the halal hotel industry Syariah-compliant and Muslim-friendly (Mansor & Mohamad Rasit, 2015).

Hifz Al-Nafs

Hifz al-Nafs is the preservation of the right to life in life for well-being and glory since Islam forbids any action that can take someone's life, including murder, causing bodily harm to another person, or doing anything that can harm that person's health (Mohd Noor & Mohd Noor, 2018). All of the essential requirements for maintaining life are included in the preservation of the soul, as evidenced by the fact that Allah SWT made several provisions to uphold fundamental human rights, such as the ban on killing and the existence of *qisas* Syariah-compliant as a deterrent to the occurrence of murder. It also encompasses the right to live happily, the prohibition of harming others, and human honour (Aljuraimy & Thahir, 2019).

Based on the *Hifz al-Nafs* idea, the application of Syariah compliance in every area of the halal sector would result in a secure environment with the best infrastructure and security characteristics. For instance, every ingredient used in the fields of food, cosmetics, and medicines will be investigated and analysed beforehand to guarantee that it is halal and safe for use to safeguard consumers' health and safety (Hashim & Hashim, 2013). Similarly, closed-circuit television (CCTV) is used in every hospitality and tourism sector to monitor how guests enter and exit the premises. Additionally, *Hifz al-Nafs* includes the topic of cleanliness because it significantly impacts people's ability to live long, healthy lives. From another perspective, *Hifz al-Nafs* is also related to the aspect of spiritual care of humans, which involves cleaning and purifying the inner soul of an individual (Al-Wardi, 2006).

Hifz Al-Aql

Yusof Hamid Al-Alim (1994) defined *hifz al-Aql* as prohibiting all intoxicating substances and disseminating education and information to everyone. This is by virtue to *Quran* in *Surah Al-Maidah*, verse 90:

يَا أَيُّهَا الَّذِينَ ءَامَنُوا إِنَّمَا الْخَمْرُ وَالْمَيْسِرُ وَالْأَنْصَابُ وَالْأَزْلَامُ رَجْسٌ مِّنْ عَمَلِ الشَّيْطَانِ فَاجْتَنِبُوهُ لَعَلَّكُمْ تُفْلِحُونَ

Meaning: "O believers! Intoxicants, gambling, idols, and drawing lots for decisions are all evil of Satan's handiwork. So, shun them so you may be successful."

Hence, the implementation of the Syariah and the law of Allah SWT requires the revelation-based wisdom of the mind. This is because reason provides humankind wisdom, guidance, and enjoyment in this world and the hereafter (Abd Wahab *et al.*, 2019).

In addition, *al-Aql* is a huge blessing. Allah SWT provided it to distinguish between people and other species. Thus, He advised taking care of it and favoured using reason to learn more, and forbids everything that can harm or weaken the mind in order to safeguard it (Chairunnisa & Supriyanto, 2020). Therefore, people who use a substance that can erase the mind will receive a penalty. Numerous verses in the *Quran* inspire us to ponder, as we can see if we open it. This demonstrates how highly valued intelligence is in Islam. Consequently, anything intoxicating will damage the ability of the human mind to think. When individuals are given access to the proper information, reason will also function.

Hifz Al-Nasal

Islam has demonstrated the importance of bloodline to the degree that passages in the Quran directly reference lineage care. From the perspective of fiqh epistemology, *nasab* is explained as *al-Qarabah*, a relationship between two persons with similarities from the point of birth, whether they are far or close (Baharuddin *et al.*, 2015). Therefore, *maqasid* Syariah emphasises the element and concept of *hifz al-nasal* to preserve the bloodline (lineage). *Hifz al-Nasal* occurs through a syariah-confirmed marriage that forbids the free mixing of men and women and adultery (Wan Ahmad *et al.*, 2020).

In the tourism sector that adheres to *halal* and syariah standards, for instance, all public spaces should be designated as 'cover zones', where visitors are required to conceal their privates at all times fully. The goal here is to restrict adulterous relationships between men and women. Another example would be if the hotel had separate swimming pools for men and women or offered a 'private pool' package so that women could use the pool in peace and quiet without worrying about being bothered by male guests (Mohd Noor & Mohd Noor, 2018). As a result, using this strategy can attract the interest of Muslim tourists in Malaysia, boosting the country's already thriving tourism industry.

Hifz Al-Mal

Hifz Al-Mal covers various topics, including how to get property, how to spend it, and preventing sins relating to a property, such as usury, gambling, and fraud (Al-Wardi, 2006). Ibn 'Asyur defines *Hifz al-Mal* in his book *Maqasid al-Syariah al-Islamiah*:

هو حفظ أموال الأمة من الإتلاف ومن الخروج إلى أيدي غير الأمة بدون عوض

Meaning: "Keeping the Ummah's property from being lost and flowing to non-Ummah without any return."

In addition, Ibn' Asyur also stated in another book that managing the wealth of the ummah begins with treating the wealth of each individual within it, as ensuring the sustainability of the wealth of each individual will ultimately benefit the wealth of the ummah in its entirety (Tarmizi, 2019). Therefore, Islam emphasises the subject of financial resources and the direction of money outflow so that the income earned by every transaction and enterprise is free from illicit sources and activities. This is because forbidden foods continue circulating in the body and become flesh and blood.

To conclude, the application of the concept of Syariah compliance is similar to the implementation of *Dharuriyat Al-Khams*. This is due to the comprehensive of *Dharuriyat Al-Khams*. For instance, based on *Hifz Ad-Din*, *Hifz Al-Mal*, *Hifz Al-Aql*, and *Hifz An-Nasal* are taking care of the welfare of ourselves and the community. In addition, *Dharuriyyat Al-Kham*, and *Hifz Al-Mal* play a big role in protecting property and *muamalat* against *riba* and *gharar* activities in financial, *muamalat* and investment (capital market) sectors. Therefore, the proposal of the establishment Syariah Compliance Commission is irreconcilable with the implementation of *Maqasid* Syariah in all parts of life and contributes to the promotion of the Islamic principles of well-being.

CONCLUSION

The recommendation that the Prime Minister should form a Syariah Compliance Commission is a very reasonable suggestion. This is due to the complete and practical nature of the procedures that establish structures, functions, and administration. We know that the advisors to the Committee on syariah play a significant role and that Syariah is responsible for developing various government regulations and standards, such as those governing Islamic finance and the halal industry. The management of the halal industry sector is still handled independently, although it adheres to the Syariah compliance framework.

In a nutshell, the establishment of the Syariah Compliance Commission with the concept of Syariah compliance is consistent with the *Maqasid* Syariah approach, *Dharuriyat Al-Khams*. With this Commission's establishment, the halal sector's management can be standardised and streamlined. This is because the Syariah Compliance Commission not only serves as a management body but also entails coordination between enforcement organisations in the halal sector and identifying the most effective solution for syariah compliance. In light of the fact that Islam is the official religion of Malaysia, the Prime Minister of Malaysia's recommendation to establish a Syariah Compliance Commission is very appropriate and necessary to make the halal industry the primary source for expanding the country's halal economic resources.

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