
Strengthening the Islamic Economy Halal Value Chain: Sharia Diversification Strategy in an Uncertain Global Market Era

Nila Nafisatul Bashiroh¹, M. Nashrullah², Ahmad Ibnul Karim³, Omor Faruk⁴

^{1,2,3}Magister Ekonomi Syariah, Universitas Islam Negeri Sayyid Ali Rahmatullah
Tulungagung, Indonesia

⁴Department of Sharia and Islamic Law, Northern Border University, Saudi Arabia

¹nilanaf805@gmail.com, ²nasrul.lamania@gmail.com, ³karimaahmaad@gmail.com,
⁴omarfarok65367@gmail.com

Received August 29, 2025; Revised November 28, 2025; Accepted December 02, 2025

Abstract

Objective: This study aims to analyze the role of Halal Value Chain (HVC) as a sharia diversification strategy in strengthening Indonesia's Islamic economic resilience amid global market uncertainty. **Theoretical Framework:** This research refers to economic theories related to sharia economics, sustainable development, and value chain analysis. This study examines how the integration of Halal sectors, such as food and beverages, Muslim fashion, halal tourism, and Islamic finance, can be a strategy for economic diversification and economic resilience. **Literature Review:** A literature review shows the vulnerability of conventional economic systems in the face of global geopolitical conflicts, climate change, and supply chain disruptions. This shows that an Islamic economy with the principles of justice, sustainability, and balance offers a relevant alternative. Previous research has identified the potential of HVC in promoting economic stability and inclusivity in Muslim-majority countries. **Methods:** This study uses a qualitative approach with a literature study method, which analyzes secondary data from scientific journals, official reports, and publications related to the halal economy in Indonesia. The data is analyzed to understand the application and impact of HVC on Indonesia's economic resilience. **Results:** This study shows that the implementation of HVC can be the main pillar in the diversification of the sharia economy. By integrating the halal sector, HVC contributes to the creation of new jobs, strengthens national economic resilience, and makes Indonesia the center of the global halal industry. These findings show that HVC can expand the Islamic economic base and support the growth of halal MSMEs. **Implications:** Strengthening HVC is essential to realize an inclusive, equitable, and sustainable Islamic economic system. This research provides insights for policymakers to strengthen the halal economy, which in turn can strengthen national economic resilience, create more jobs, and increase global competitiveness. **Novelty:** This research is one of the first to examine the strategic role of Halal Value Chain in the context of Indonesia's economic resilience, as well as provide a new perspective on the integration of Islamic economic principles with global market dynamics.

Keywords: halal value chain, sharia diversification, islamic economy, economic resilience, halal industry.

INTRODUCTION

The global economy is currently facing uncertainty due to geopolitical tensions, climate change, fluctuations in commodity prices, and post-pandemic supply chain disruptions [1]. As a result, conventional economic systems that only focus on short-term profits are less able to withstand the impact of the crisis. This condition encourages the emergence of a need for a fairer, ethical, and sustainable economic system. In this regard, Islamic economics offers a solution by emphasizing a balance between profit, social justice, and environmental responsibility through principles such as the prohibition of usury, honesty in transactions, and concern for others [2].

According to the *State of the Global Islamic Economy (SGIE)*, according to the 2024/2025 report, Muslim spending on halal products reached US\$2.4 trillion in 2023 and is projected to increase to US\$3.4 trillion in 2028. This data shows that the halal sector has great potential to strengthen the foundations of the Islamic economy as well as become a new force in the face of uncertain global market dynamics [3].

Indonesia has great potential in the development of the halal economy because it is one of the largest Muslim countries in the world with a majority Muslim population. Bank Indonesia (2024) noted that the leading sector, *Halal Value Chain (HVC)*, contributes around 23% to the national economy, with growth reaching 3.93% year-on-year in 2023. This potential continues to be strengthened through various government policies, including the role of the National Committee for Sharia Economics and Finance (KNEKS), which encourages the acceleration of HVC development in the food and beverage, Muslim fashion, halal tourism, and halal cosmetics sectors. However, in the midst of these great opportunities, Indonesia still faces challenges such as limited halal certification, uneven supporting infrastructure, and the dominance of imported halal products in the domestic market [4].

In this context, the need for Sharia diversification arises as a strategic step to strengthen national economic resilience. Dependence on certain sectors, such as raw material exports, makes Indonesia's economy vulnerable to global shocks. Through strengthening the *Halal Value Chain*, sharia diversification can expand the economic base by integrating various halal sectors such as agriculture, creative industries, tourism, and sharia finance. This effort not only strengthens the national economy's resilience to crises but also creates an inclusive and sustainable Islamic economic ecosystem, in line with the principles of justice, balance, and the benefit of the ummah [5].

This research emphasizes the importance of the *Halal Value Chain (HVC)* as a strategy for diversifying the Islamic economy at the macro level to strengthen the foundation of Indonesia's Islamic economy. In the midst of global market uncertainty, strengthening the economy based on Islamic values through the development of integrated halal sectors is a strategic step to create a resilient, just, and sustainable economy.

The urgency to strengthen Indonesia's Islamic economic foundation has become increasingly evident in the face of persistent global instability. Geopolitical tensions, climate disruptions, volatile commodity markets, and post-pandemic supply chain fragility continue to challenge the resilience of conventional economic systems. Within this context, the halal sector—rooted in the principles of justice, transparency, and sustainability—offers a more stable and ethically grounded alternative. This research is important because it positions the Halal Value Chain (HVC) not only as a religiously compliant framework but also as a strategic economic instrument capable of supporting long-term resilience in an uncertain global environment. Given Indonesia's demographic advantage and the rapid expansion of halal industries worldwide, understanding the role of HVC as a diversification strategy is essential for policymakers, industry players, and scholars [6].

The novelty of this study lies in its comprehensive analysis of HVC as a macro-level sharia diversification strategy explicitly connected to national economic resilience. While previous studies often highlight isolated halal sectors such as food, tourism, or finance, this

research integrates these components into a single ecosystemic approach. It provides a new perspective by linking HVC development with broader issues such as economic vulnerability, supply chain integrity, and the strategic repositioning of Indonesia in the global halal market. Moreover, this study emphasizes the interdependence of halal certification, digital innovation, supporting infrastructure, and cross-sector policy alignment—an integrated angle that has received limited scholarly attention [6].

The implications of this research are significant for both national and international economic policy. Strengthening HVC can reduce Indonesia's dependency on conventional and resource-based sectors, expand employment through the empowerment of halal MSMEs, and elevate Indonesia's competitiveness as a global halal hub. Policymakers can use these findings to design more targeted interventions in certification processes, technological adoption, financing schemes, and cross-border cooperation. For industry players, the study offers insights into how HVC integration can enhance value creation and market trust. Overall, this research contributes to building a more inclusive, equitable, and sustainable Islamic economic system capable of withstanding global uncertainties [7].

LITERATURE REVIEW

Definition And Basic Principles of HVC in the Islamic Economic System

Concept *Halal Value Chain* (HVC) is a development of the theory *Value Chain* introduced by Michael Porter, who explains that every activity in the production chain has the potential to create added value (*Value Creation*) [8]. From the perspective of Islamic economics, the concept is adapted by emphasizing the *halal* and *thayyib*, so that every production, distribution, and consumption process not only generates economic value, but also fulfills spiritual and ethical values according to sharia principles. Thus, HVC can be interpreted as a value chain system whose all activities are carried out based on Islamic law to ensure halal, justice, and blessings in the economy [9].

In the Islamic economic system, the *Halal Value Chain* not only aims to achieve efficiency and profits but also realizes benefits (*Maslahah*) for the wider community. The basic principles that underlie HVC include halal raw materials, honesty and fairness in transactions, transparency of the production process, and social and environmental responsibility [10]. This principle is in line with the values of maqashid al-syariah, which emphasize the protection of religion (*Hifdz al-Din*), soul (*HEFDZ al-NAFS*), Sense (*HEFDZ al-AQL*), descendants (*HEFDZ al-NASL*), and treasures (*HEFDZ al-Mal*). Therefore, the implementation of HVC is not only a compliance with halal law, but also a form of integration between spirituality and professionalism in economic activities [11].

The implementation of the Halal Value Chain is one of the important strategies in strengthening the Islamic economic ecosystem. With the increasing demand for global halal products, Indonesia, as a country with the largest Muslim population in the world, has a great opportunity to become the center of the world's halal industry [12]. HVC is the main instrument to ensure the quality, authenticity, and integrity of halal products from upstream to downstream, so as to increase the competitiveness of the national halal industry. In addition, the implementation of HVC also encourages the growth of supporting sectors such as halal logistics, halal certification, and Islamic finance, which play a role in strengthening the overall Islamic economic value chain [13].

Sharia Diversification Strategy in the Face of Global Economic Uncertainty

The sharia diversification strategy is an effort to expand the halal business sector so that it does not depend on one source of income, based on the principles of justice, balance, and benefits in the Islamic economy [14]. This concept aims to build a sustainable and resilient economic system in the face of global uncertainty, through the spread of risks and the

development of various halal economic sectors to maintain the stability and economic resilience of the people [15].

From the perspective of Islamic economics, diversification is not only a form of business strategy but also a manifestation of Islamic values in maintaining a balance (*Tawazun*) and avoiding over-reliance on a single economic source. Through diversification, halal sectors such as food and beverages, Muslim fashion, halal tourism, halal pharmaceuticals, and Islamic finance can be developed simultaneously to form a more inclusive and resilient economic structure. This approach is in line with the theory of *Economic Resilience*, which emphasizes the ability of economic systems to survive and recover from external shocks such as global crises, exchange rate fluctuations, or disruptions of international supply chains [16].

Table 1. Key Concepts and Theoretical Foundations in the Literature Review

Section	Key Concepts	Core Principles / Findings	Implications for Islamic Economic System
Definition and Basic Principles of HVC	Halal Value Chain (HVC); Value Creation; Halal and Thayyib	HVC originates from Porter's Value Chain theory and is adapted to Islamic law. Ensures halal, integrity, justice, and ethical conduct across production, distribution, and consumption. Prioritizes halal raw materials, fairness, transparency, and environmental responsibility. Aligns with <i>maqasid al-shariah</i> : protection of religion, life, intellect, lineage, and wealth.	Embeds spirituality and professionalism in economic activities. Strengthens competitiveness of the halal industry. Supports the establishment of a holistic halal ecosystem aligning ethical and economic objectives.
HVC in Strengthening the Islamic Economic Ecosystem	Global halal market demand; Halal industry growth	Increasing global consumption of halal products creates strong economic potential. Indonesia's large Muslim population positions it as a leading global halal hub. HVC ensures quality, authenticity, and integrity from upstream to downstream. Encourages growth of related sectors: halal logistics, certification, and Islamic finance.	Enhances national competitiveness in the global halal industry. Integrates multiple sectors into a unified halal economic ecosystem. Strengthens the structural foundation of the Islamic economy.
Sharia Diversification Strategy	Diversification; Tawazun (balance); Maslahah; Economic Resilience	Diversification spreads risk and ensures stability during global uncertainty. Halal sectors (food, fashion, tourism, cosmetics, pharmaceuticals, Islamic finance) support inclusive growth. Avoids dependence on a single economic source. Aligns with principles of justice, balance, and long-term benefits.	Builds a resilient economic structure capable of withstanding global shocks. Encourages sustainable, balanced growth across multiple halal industries. Supports welfare of the ummah through diversified economic opportunities.
Responding to Global Economic Uncertainty	Market volatility; Climate change; Technological	Sharia diversification enables adaptation and innovation. Interconnected halal sectors within HVC create a stable	Positions Islamic economies to thrive despite global instability. Encourages technological

	disruption	macroeconomic base. Strengthening HVC enhances independence and global competitiveness.	adoption and innovation in halal industries. Reinforces sustainability-oriented economic development.
--	------------	---	---

In the face of global economic uncertainty characterized by market volatility, climate change, and technological disruption, sharia diversification strategies play an important role as a means of adaptation and innovation. Through strengthening the diverse and interconnected halal sector in the *Halal Value Chain*, Islamic economies can become more resilient, independent, and competitive in the international market. Therefore, sharia diversification is not only an economic growth strategy, but also an instrument for strengthening the Islamic economic system that is sustainable and oriented towards the welfare of the ummah in the midst of global uncertainty [17].

METHODOLOGY

This study employs a qualitative research design using the library research method as its primary approach. The selection of this methodology is based on the nature of the research objectives, which focus on understanding conceptual frameworks, theoretical constructs, and empirical findings related to the Halal Value Chain (HVC), sharia economic diversification, and Indonesia's economic resilience amid global uncertainty. Library research is particularly suitable for exploring phenomena that are strongly rooted in textual, theoretical, and documentary sources. As such, this method allows the researcher to critically examine and synthesize a broad range of authoritative materials, ensuring that the analysis is both comprehensive and conceptually grounded [18].

In line with the principles of qualitative inquiry, this study emphasizes interpretive analysis, contextual understanding, and thematic synthesis rather than numerical measurement. The qualitative approach enables the researcher to interpret how HVC operates within the broader Islamic economic ecosystem, how its components interact, and how it contributes to economic diversification at the macro level. This interpretive orientation also allows the researcher to capture the nuances of policy frameworks, institutional developments, and global market dynamics that shape the evolution of Indonesia's halal industry [18].

Data for this study were collected entirely from secondary sources. Secondary data refer to information obtained indirectly from the research object, rather than through fieldwork or firsthand observation. In accordance with this method, the researcher gathered data from a wide range of documented and published materials, including scientific journal articles, government reports, academic books, official statistical data, research publications, institutional documents, and digital repositories. Sources were selected based on their relevance, scholarly credibility, and contribution to the themes of HVC development, Islamic economic principles, diversification strategies, halal certification mechanisms, and global halal market trends [19].

The data sources include publications from institutions such as Bank Indonesia, the National Committee for Islamic Economy and Finance (KNEKS), global halal market reports, and various peer-reviewed journals focusing on Islamic economics, supply chain management, and halal industry development. The study also incorporates insights from literature that examines global economic uncertainty, sustainability, and value chain theories. These sources provide the empirical and conceptual foundation required to analyze how HVC contributes to strengthening Indonesia's economic resilience [19].

The data collection process was conducted systematically through several stages. First, the researcher identified key themes related to the halal value chain, such as

upstream–downstream integration, sharia compliance, halal certification, digitalization of halal processes, and diversification across sectors including food, fashion, tourism, pharmaceuticals, and Islamic finance. Second, relevant literature was gathered from digital libraries, academic databases, and institutional websites. Third, the collected materials were categorized according to thematic relevance, methodological approach, and contribution to the research problem.



Figure 1. Methodology Research

After data collection, the researcher conducted a qualitative content analysis. This analytical technique involves interpreting text-based data to identify patterns, relationships, and theoretical linkages. The process includes reading, coding, classifying, and synthesizing information to generate a coherent understanding of the research focus. Through this analytical process, the researcher was able to evaluate the strengths and challenges of HVC implementation in Indonesia, assess its role in supporting sharia economic diversification, and examine its implications for national economic resilience. Finally, the validity of the study was reinforced by triangulating various sources, comparing findings from multiple publications, and critically assessing the consistency of existing research. By integrating diverse yet complementary sources, this study provides a robust and reliable methodological foundation for understanding the strategic importance of the Halal Value Chain in strengthening Indonesia’s Islamic economy in an era of global uncertainty [19].

RESULTS AND DISCUSSION

Potential and Urgency of HVC Development in Indonesia

Indonesia has a strategic position as the country with the largest Muslim population in the world, making it a potential market for the development of the halal economy. With a 244.7 million Muslim population in Q1 2025 [20], the need for halal products and services creates a great opportunity to build an integrated halal value chain (HVC) from upstream to downstream. In addition to its domestic potential, Indonesia also has a great opportunity to

penetrate the global halal market that continues to grow, as the world's consumer awareness of halal standards and product sustainability increases [21].

The contribution of the halal sector to the national economy is increasingly significant. Based on reports by Bank Indonesia (BI) and the National Committee for Sharia Economics and Finance (KNEKS), the halal sector is one of the important pillars in supporting inclusive economic growth [22]. Several leading sectors, such as halal food and beverages, Muslim fashion, halal tourism, and the halal pharmaceutical and cosmetics industry, showed significant increases. Government policy support, both through strengthening regulations, halal certification, and halal industry financing, shows a national commitment to make Indonesia the center of the world's halal producers [23].

The development of HVC is very important as a strategy to diversify the Islamic economy to reduce dependence on the conventional sector [24]. Through strengthening the halal value chain, Indonesia is not only expanding the base of the sharia economy but also strengthening national economic resilience amid global uncertainty. HVC integration is able to create an economic ecosystem that is fair, sustainable, and globally competitive, while positioning Indonesia as an International Halal Center.

Challenges in the Implementation of Halal Value Chain in Indonesia

Although Indonesia has great potential in the development of Halal Value Chain (HVC), its implementation still faces various challenges [25]. One of the main challenges is the lack of integration and coordination between actors in the halal value chain, ranging from raw material producers, industry players, to certification and distribution institutions. Many business actors, especially MSMEs, have not fully understood the importance of implementing halal standards at every stage of production, so the value chain process has not run optimally from upstream to downstream [26].

In addition, the cost of halal certification and a lengthy administrative process are still obstacles, especially for small business actors. Many MSMEs are not able to bear the cost of certification or lack access to information and assistance from related institutions. This causes some local products that are actually halal to not have official certificates, so their competitiveness is low in the national and international markets [27].

The next challenge, low literacy and public awareness of the halal economy, is also a challenge in itself. There are still many consumers and producers who view halal products only as a religious aspect, not as an economic value and competitive advantage. In fact, the global halal market offers huge export opportunities if Indonesia is able to build an integrated and trusted halal ecosystem [28].

Another challenge lies in the limitations of research, innovation, and supporting technology for the halal industry. The development of competitive halal products requires research support, laboratory testing, and high-tech product innovation. However, cooperation between the industrial world, academia, and the government still needs to be strengthened so that HVC is truly able to become the main driver of the national sharia economy [29].

Therefore, the successful implementation of HVC in Indonesia requires synergy between the government, certification bodies, business actors, academics, and the community [30]. By strengthening coordination, expanding halal education, and facilitating access to certification and financing, Indonesia has a great opportunity to build a strong, sustainable, and globally competitive halal ecosystem.

HVC Strengthening Strategy as a Pillar of Sharia Economic Diversification

To make the Halal Value Chain (HVC) a key pillar in the diversification of the sharia economy, Indonesia needs to implement various targeted and sustainable strategies [31]. First, incentive programs are needed for local and global business actors in the halal sector, such as tax relief, access to sharia financing, and halal certification training. This step will

encourage more business actors, especially MSMEs, to actively participate in the national halal ecosystem [32].

Second, strengthening international cooperation and harmonizing halal standards is very important so that Indonesian halal products are widely recognized in the world market. With the existence of uniform standards, the process of exporting halal products will become easier and more efficient [33].

Third, the application of technology and digitalization also plays a big role in strengthening the halal supply chain. Digital-based systems such as *Blockchain* or halal tracking apps can increase transparency, efficiency, and consumer trust in halal products [34].

The success of strengthening HVC requires strong synergy between the government, Islamic financial institutions, industry, and academia [35]. This cross-sector collaboration will create a competitive, sustainable halal ecosystem and become the main driver of Indonesia's sharia economic growth in the future.

The Impact of the HVC Strategy on the Strengthening of Indonesia's Islamic Economy

Strengthening the Halal Value Chain (HVC) has a great strategic impact on the national economy and the development of the Islamic economy in Indonesia. HVC can increase national economic resilience to global crises. By optimizing halal sectors such as food, fashion, tourism, and pharmaceuticals, Indonesia is no longer dependent on conventional sectors or natural resources alone. This diversification makes the economy more stable and resilient to global shocks. Second, the implementation of HVC can expand employment and encourage the growth of halal MSMEs. Many small and medium businesses can be involved in the halal value chain, ranging from raw material providers, production, distribution, to marketing. This will increase people's income and strengthen the people-based economy [36].

Third, HVC plays a role in realizing an inclusive, fair, and sustainable Islamic economic ecosystem. The halal concept not only emphasizes the halal aspect of the product, but also fairness in transactions, the welfare of producers and consumers, and environmental sustainability. Thus, the development of HVC supports the values of sharia maqashid in the economic system. Strengthening HVC will help make Indonesia the center of the world's halal industry. With the great potential of the domestic market and the support of government policies, Indonesia has the opportunity to become the main producer and exporter of global halal products, not just as a consumer. This position will strengthen Indonesia's role in the international Islamic economic map and increase the nation's competitiveness in the global arena [37].

Analysis

The document presents a comprehensive exploration of how strengthening the Halal Value Chain (HVC) can function as a strategic sharia-based diversification mechanism to enhance Indonesia's economic resilience amid global uncertainty. The central argument emphasizes that the global economy—disrupted by geopolitical tensions, climate volatility, supply chain fragility, and post-pandemic instability—requires alternative economic models rooted in justice, sustainability, and ethical value creation. In this context, the Islamic economic system provides a stabilizing foundation through its principles of balance (*tawazun*), fairness, and maqashid al-shariah. The paper positions HVC as a transformative instrument capable of integrating these values into modern economic development [38].

A key strength of the text lies in its systematic articulation of Indonesia's unique advantages. As the country with the world's largest Muslim population, Indonesia possesses a massive domestic consumer base and simultaneously holds the potential to become a global

halal hub. Empirical data presented in the study, including the contribution of halal sectors to roughly 23% of the national economy and the steady rise of Muslim global spending to USD 2.4 trillion, reinforce the argument that the halal sector is not merely religious in nature—it is a high-growth, future-oriented economic domain. Coordinated national policies through institutions such as KNEKS and Bank Indonesia further underscore the strategic priority placed on halal economic advancement [38].

The document also adopts a critical lens, identifying structural challenges that impede optimal HVC implementation. Among these, the fragmentation of stakeholders across the supply chain is particularly detrimental. Lack of integration among producers, regulators, certifiers, and distributors results in inefficiencies that diminish competitiveness. Moreover, MSMEs—the backbone of Indonesia’s halal supply chain—face obstacles such as high certification costs, limited literacy about halal standards, and weak access to research and technological support. These barriers keep many potentially competitive halal products from gaining certification and entering global markets [39].

Another important observation concerns the technological gap in Indonesia’s halal ecosystem. While global halal industries increasingly adopt blockchain, digital traceability, and integrated logistics systems to enhance transparency, Indonesia’s innovation and R&D capacity remains insufficient. This gap limits the nation’s ability to compete with more technologically advanced halal-producing countries such as Malaysia or the UAE. The document strongly implies that technological adoption is no longer optional but essential to meet global halal supply chain standards [39].

Despite these constraints, the paper outlines feasible and forward-looking strategic pathways for strengthening the HVC. These include incentivizing halal industry actors, harmonizing international halal standards, enhancing sharia financing access, and promoting digitalization throughout the supply chain. The emphasis on cross-sector collaboration—government, academia, financial institutions, and industry—reflects a systems-based approach that aligns with global best practices in value chain development. Such strategies would allow Indonesia to build a halal ecosystem that is not only compliant but also competitive, scalable, and innovation-driven [40].

The analysis also effectively situates HVC within the broader theory of economic resilience. By diversifying Indonesia’s economic base beyond volatile conventional sectors and natural resource dependencies, HVC fosters stability and long-term adaptability. The development of halal food, fashion, tourism, pharmaceuticals, and cosmetics generates new employment opportunities while strengthening MSMEs and rural economies. Furthermore, the integration of Islamic finance accelerates the growth of ethical, inclusive, and sustainability-oriented economic structures—consistent with Indonesia’s long-term development agenda. Overall, the document makes a compelling case: strengthening the Halal Value Chain is not simply an economic opportunity but a strategic national imperative. If executed properly, it positions Indonesia as a global leader in halal production, enhances its economic sovereignty, and contributes to a more just, sustainable, and resilient Islamic economic system [41].

CONCLUSION

The development of Halal Value Chain (HVC) in Indonesia has enormous strategic potential in strengthening the foundations of Islamic economics and realizing national economic independence. With the largest Muslim population in the world and the support of leading sectors such as food, fashion, tourism, and halal pharmaceuticals, Indonesia has a great opportunity to become the center of the global halal industry. However, the implementation of HVC still faces challenges such as low halal literacy, high certification costs, a lack of coordination between actors, and a lack of research and innovation. Therefore, a strengthening strategy is needed that includes cross-sector synergy, incentives for business actors, harmonization of international halal standards, and digitalization of the

supply chain system. If the strategy is implemented consistently, HVC will not only be able to strengthen national economic resilience and expand employment, but also create an inclusive, equitable, and sustainable Islamic economic ecosystem, while affirming Indonesia's position as the center of the world's halal industry.

Acknowledgments

The authors sincerely express their gratitude to the academic community of the Magister Ekonomi Syariah, Universitas Islam Negeri Sayyid Ali Rahmatullah Tulungagung, and to the Department of Sharia and Islamic Law, Northern Border University, Saudi Arabia. Their guidance, institutional support, and constructive insights significantly contributed to the development and completion of this study on strengthening the Islamic economy and halal value chain.

Author's Contributions

All authors contributed equally to this research. The first author led the conceptual framework and analysis of halal value chain diversification. The second author refined the methodological approach, validated theoretical alignment with Sharia principles, and enhanced academic clarity. Both authors collaboratively drafted, reviewed, and finalized the manuscript, ensuring its originality, coherence, and scholarly integrity throughout the research process.

Conflicts of Interest

The authors declare no conflicts of interest related to this research. All analyses, interpretations, and conclusions were developed independently, without influence from financial, institutional, or personal relationships. The study was conducted solely to advance academic understanding of Sharia-based diversification strategies within the global halal value chain, ensuring transparency, objectivity, and adherence to ethical standards.

REFERENCES

- [1] Ahmad Selanorwanda, Stepanus Segah Saha, Benius, Rini Oktavia, Ahmad Selanorwanda, Stepanus Segah Saha, Benius, CHRP Rini Oktavia, Daduk Adriyanto, "Strategi Mencapai Pertumbuhan Ekonomi Catch-Up Growth di Tengah Ketidakpastian Global," no. September, 2025.
- [2] F. L. N. Yoga Permana, "Konsep Keadilan Dalam Perspektif Ekonomi Islam," *J. Ekon. Syariah Darussalam*, vol. 4, no. 1, pp. 9–15, 2024.
- [3] F. Nasar, "Kontribusi Industri Halal terhadap Pertumbuhan Ekonomi," 2025.
- [4] I. Qizam, I. Berakon, and H. Ali, "The role of halal value chain, Sharia financial inclusion, and digital economy in socio-economic transformation: a study of Islamic boarding schools in Indonesia," *J. Islam. Mark*, vol. 16, no. 3, pp. 810–840, 2025, <https://doi.org/10.1108/JIMA-03-2024-0108>.
- [5] B. Indonesia, "Sektor Rantai Nilai Halal Pertahankan Pertumbuhan Positif, Dukung Pertumbuhan Ekonomi Nasional Siaran Pers," 2024.
- [6] M. Hasanah, Istikomah, and Muhammad Syafii, "Implementasi Halal Value Chain Dalam Mewujudkan Ekosistem Halal pada Produk Unggulan UD Mitra Jamur Jember," *At-Tasharruf "Jurnal Kaji. Ekon. dan Bisnis Syariah"*, vol. 5, no. 2, pp. 98–107, 2023, <https://doi.org/10.32528/at.v5i2.1131>.
- [7] M. Rafiuddin, E. Setyo Wibowo, and A. Fajar, "Masa Depan Ekonomi Syariah di Indonesia: Sebuah Analisis Kritis Tantangan dan Solusinya," *Al-Musyarakah J. Ekon. Islam*, vol. 4, no. 1, pp. 29–44, 2024, <https://doi.org/10.71247/rmrvvt50>.
- [8] W. Sardjono, A. L. A. Suyoso, and E. Lusya, "Sentiment Analysis of the State Global Islamic Economy on Twitter With Support Vector Machine Rapid Miner," *J. Theor. Appl. Inf. Technol.*, vol. 103, no. 1, pp. 303–311, 2025, <https://www.scopus.com/inward/record.uri?eid=2-s2.0-85216310851&partnerID=40&md5=98d8e9b1adb3a84c10930d2df297ec71>
- [9] M. Sahib and N. Ifna, "Urgensi Penerapan Prinsip Halal dan Thayyib dalam Kegiatan Konsumsi," *POINT J. Ekon. dan Manaj.*, vol. 6, no. 1, pp. 53–64, 2024, <https://doi.org/10.46918/point.v6i1.2256>.

-
- [10] Sochimim, Alfalisyanto, H. Muflihah, and I. N. Fatchan, "Halal Value Chain Model in Halal Ecosystem of Malaysia," *J. Distrib. Sci.*, vol. 23, no. 5, pp. 97–112, 2025, <https://doi.org/10.15722/jds.23.05.202505.97>.
- [11] Mustakim, "Dasar Hukum dan Filosofi Distribusi dalam Ekonomi Islam," *Al-Mizan J. Ekon. Syariah*, vol. 2, no. 1, pp. 68–87, 2019.
- [12] Y. Hidayat, A. Machmud, S. Zuhuda, and S. Suartini, "Legal aspects and government policy in increasing the role of MSMEs in the Halal ecosystem," *F1000Research*, vol. 13, 2025, <https://doi.org/10.12688/f1000research.148322.4>.
- [13] F. H. Aziz, "Peran Halal Value Chain dalam Penguatan Ekosistem Industri Halal di Indonesia: Pendekatan Strategis," *At-Tijary J. Ekon. dan Bisnis Islam*, vol. 2, no. 1, pp. 10–30, 2025.
- [14] A. Syafruddin, N. T. Putri, R. R. Putri, and R. P. Lita, "Proposed Framework for Halal Value Chain Analysis in Batik Industry," *J. Appl. Eng. Technol. Sci.*, vol. 6, no. 1, pp. 429–443, 2024, <https://doi.org/10.37385/jaets.v6i1.5238>.
- [15] N. L. Abidah and A. Fageh, "Resiliensi Ekonomi Syariah di Indonesia dalam Menggagas Sistem Tangguh di Masa Depan," *el-Jizya J. Ekon. Islam*, vol. 13, no. 1, pp. 151–168, 2025, <https://doi.org/10.24090/ej.v13i1.13741>.
- [16] B. Harsanto, M. Pradana, E. A. Firmansyah, A. Apriliadi, and J. Ifghaniyafi Farras, "Sustainable Halal Value Chain performance for MSMEs: the roles of digital technology, R&D, financing, and regulation as antecedents," *Cogent Bus. Manag.*, vol. 11, no. 1, 2024, <https://doi.org/10.1080/23311975.2024.2397071>.
- [17] M. R. Alisa Qotrunada, Lucky Firmansyah, Rama Rama, Muhammad Rizky Al Asqolani, "Perekonomian Negara-Negara Muslim: Tantangan, Peluang, dan Strategi Pembangunan Berkelanjutan Alisa," *JIMU J. Ilm. Multi Disiplin*, vol. 03, no. 02, pp. 1276–1288, 2025.
- [18] W. S. Hasibuan and I. Lubis, "Halal value chain integration in food court establishment through Cash Waqf Linked Sukuk: evidence from Indonesia," *Cogent Bus. Manag.*, vol. 11, no. 1, 2024, <https://doi.org/10.1080/23311975.2024.2385075>.
- [19] M. N. Adlini, A. H. Dinda, S. Yulinda, O. Chotimah, and S. J. Merliyana, "Metode Penelitian Kualitatif Studi Pustaka," *Edumaspul J. Pendidik.*, vol. 6, no. 1, pp. 974–980, 2022, <https://doi.org/10.33487/edumaspul.v6i1.3394>.
- [20] GoodStart, *Nasional Kesadaran Meningkatkan, 84% Warga Indonesia Sudah Gunakan Produk Eco-Friendly*. goodstart.id, 2024.
- [21] A. Charina and D. Charisma, "The Effectiveness of the Implementation of The Halal Value Chain (HVC)," *Ecosyst. Halal Food Beverage Ind. Indones. Mimb. Agribisnis J. Pemikir. Masy. Ilm. Berwawasan Agribisnis*, vol. 9, no. 2, pp. 1858–1878, 2023, <https://doi.org/10.25157/ma.v9i2.10135>.
- [22] A. S. Rusydiana, M. I. Irfany, A. As-Salafiyah, and M. Tieman, "Halal supply chain: a bibliometric analysis," *J. Islam. Mark.*, vol. 14, no. 12, pp. 3009–3032, 2023, <https://doi.org/10.1108/JIMA-01-2022-0009>.
- [23] B. Indonesia, "Sektor Halal Value Chain Tumbuh Positif, Dukung Pertumbuhan Ekonomi Nasional," 2024.
- [24] Fakhruddin and H. Hidayat, "Moderation in dsn-mui fatwas: Achieving justice and balance in the sharia economic system," *Jurisdictie J. Huk. Dan Syariah*, vol. 15, no. 2, pp. 477–498, 2024, <https://doi.org/10.18860/j.v15i2.26883>.
- [25] A. Y. Anshori and L. T. Abdurrahman, "Constitutional Contestation of the Islamic State Concept in the Indonesian Parliament 1956-1959," *Jure J. Huk. Dan Syar'iah*, vol. 16, no. 2, pp. 278–316, 2024, <https://doi.org/10.18860/j-fsh.v16i2.29572>.
- [26] L. Z. Nasution, "Penguatan Industri Halal bagi Daya Saing Wilayah: Tantangan dan Agenda Kebijakan," *J. Reg. Econ. Indones.*, vol. 13, no. 1, pp. 33–57, 2020, <https://doi.org/10.35880/inspirasi.v13i1.1979>.
- [27] Riskia Putri, "Tantangan Sertifikasi Halal pada Pelaku Usaha Mikro Kecil dan Menengah (UMKM) Produk Pangan di Kabupaten Pamekasan," *Assyariah J. Islam. Econ. Bus.*, vol. 1, no. 5, pp. 222–242, 2024, <https://doi.org/10.28944/assyariah.v5i2.1911>.
- [28] Hasnil Hasyim, "Peluang Dan Tantangan Industri Halal di Indonesia," *J. Ekon. dan Bisnis Islam*, vol. 7, no. 02, pp. 665–688, 2023, <https://doi.org/10.30868/ad.v7i02.4918>.
- [29] K. Aqbar, "Strategi Terpadu Penguatan Industri Makanan Halal di Indonesia : Daya Saing, Keberlanjutan, dan Penetrasi Pasar Global Integrated Strategy for Strengthening the Halal Food Industry in Indonesia : Competitiveness, Sustainability and Global Market Penetr," *Tijarah*, vol. 2, no. 2, pp. 105–118, 2025.
- [30] P. S. Muttaqin, E. B. Setyawan, and N. Novitasari, "Factors Influencing Readiness towards Halal Logistics among Food and Beverages Industry in the Era of E-Commerce in Indonesia," *Int. J. Informatics Vis.*, vol. 7, no. 3, pp. 781–787, 2023, <https://doi.org/10.30630/joiv.7.3.2055>.
-

- [31] L. N. Fadhilah and Syamsuri, “Depicting Halal Value Chain Within Gontor Alumni Pesantren Forum (Fpag),” *Miqot J. Ilmu-ilmu Keislaman*, vol. 46, no. 2, pp. 162–185, 2022, <https://doi.org/10.30821/miqot.v46i2.980>.
- [32] P. T. Cahyani, C. Shaleh, and F. A. Rasyid, “Kontribusi Politik Ekonomi Pertanian dalam Penyediaan Bahan Baku Halal di Indonesia,” *Al-Muzdahir J. Ekon. Syariah*, vol. 7, no. 1, pp. 111–125, 2025, <https://doi.org/10.55352/ekis.v7i1.1497>.
- [33] A. A. Muttaqin, M. A. Samsudin, A. D. Salleh, and A. A. Ahmad, “The Relationship of Disaster to the Islamic Economic System: An Analysis on the Aspect of Maqāsid Shari’ah Framework,” *Samarah*, vol. 7, no. 1, pp. 216–238, 2023, <https://doi.org/10.22373/sjkh.v7i1.16014>.
- [34] R. D. Muhammad Zamzami, Khairul Amri, “Peran Teknologi Blockchain Dalam Meningkatkan Transparansi Dan Kepastian Informasi Pada Sertifikasi Halal Serta Dampaknya Pada Kepercayaan Konsumen,” no. September, 2025, <https://doi.org/10.35586/jhs.v4i1.9518.1>.
- [35] M. S. Antonio, A. S. Rusydiana, N. Laila, Y. R. Hidayat, and L. Marlina, “Halal Value Chain: A Bibliometric Review Using R,” *Libr. Philos. Pract.*, vol. 2020, pp. 1–25, 2020, <https://www.scopus.com/inward/record.uri?eid=2-s2.0-85115660888&partnerID=40&md5=96db3b70491513c3f47f798e54f89faa>
- [36] M. K. Shahijan, C. N. Preece, S. Rezaei, and W. K. W. Ismail, “Examining retailers’ behaviour in managing critical points in Halal meat handling: A PLS analysis,” *J. Islam. Mark.*, vol. 5, no. 3, pp. 446–472, 2014, <https://doi.org/10.1108/JIMA-10-2013-0070>.
- [37] S. Sudarmi, M. Lutfi, S. Siradjuddin, Agus Syam, and Hasisa Haruna, “Membuka Gerbang Emas: Potensi Besar Pembiayaan Syariah Dalam Pengembangan Industri Halal Di Indonesia,” *PESHUM J. Pendidikan, Sos. Dan Hum.*, vol. 4, no. 3, pp. 3649–3659, 2025, <https://doi.org/10.56799/peshum.v4i3.7473>.
- [38] K. O. Paramole and M. O. Sanni, “Islamic Legislation on Wealth Acquisition: A Critical Examination of Crypto-currency,” *Millah J. Relig. Stud.*, vol. 21, no. 3, pp. 771–796, 2022, <https://doi.org/10.20885/millah.vol21.iss3.art6>.
- [39] M. Tieman, “Halal clusters,” *J. Islam. Mark.*, vol. 6, no. 1, pp. 2–21, 2015, <https://doi.org/10.1108/JIMA-05-2014-0034>.
- [40] M. L. Muhammad Affandi AR, Nasrullah Bin Sapa, “Pemikiran Ekonomi Islam Kontemporer Menuju Sertifikasi Halal Berbasis Kearifan Lokal,” vol. 3, no. 1, pp. 260–271, 2025.
- [41] H. N. Lita, “The Implementation of Waqf to Actualize Economic Justice Based on Islamic Law; Implementasi Wakaf dalam Mewujudkan Keadilan Ekonomi Menurut Hukum Islam,” *Padjadjaran J. Ilmu Huk.*, vol. 7, no. 1, pp. 1–18, 2020, <https://doi.org/10.22304/pjih.v7n1.a1>.