

# The Impact of Halal Certification on Micro and Small Business Sales Turnover

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**Abstract.** Micro and small enterprises play a very important role in supporting the economy. According to a press release from the Coordinating Ministry of Economic Affairs of Indonesia, more than 40% of GDP is generated by these enterprises, and they employ 50% of the national workforce. However, the average turnover of micro and small enterprises is still low. The results of a preliminary study in Pekanbaru City showed that the average sales turnover of micro and small enterprises was Rp. 200,000 per day with an average profit of 25% of their sales turnover. Then the government through Law No. 33/2014 and Law No. 11/2020, which is then derived in the Minister of Religion Regulation No. 20/2021, which regulates the obligation of halal certification for micro and small enterprises (MSEs). Based on these problems, this study aims to determine the impact of halal certification on the sales turnover of Micro and Small Enterprises (MSEs) in Pekanbaru. The research data were collected through purposive sampling technique with the criteria of having financial records and obtaining Halal certification for less than 6 months. The data analysis of the research results was carried out by comparing the average sales turnover for 3 months before and after obtaining the Halal certification by using the paired t-test. The results showed that halal certification has a significant impact on the sales turnover of MSEs. The average increase in sales turnover of MSEs is 50% compared to before obtaining Halal certification. Therefore, it is necessary to extend the halal certification scheme to those MSMEs which have yet to receive halal certification from the Indonesian government.

**Keywords:** halal certification, micro and small enterprises, sales turnover.