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Challenges in Maintaining Halal Integrity in the Logistics Industry: A Case Study of Kokubu Food Logistics Malaysia Sdn. Bhd

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Abstract: Halal logistics has become an increasingly important component of Malaysia's supply chain ecosystem, reflecting both religious obligations and growing consumer expectations for transparency and integrity. Although Malaysia is recognized for its robust halal certification framework, maintaining halal integrity in logistics operations remains a challenging task, particularly for multinational firms navigating diverse regulatory environments and customer demands. The study aims to (1) examine halal logistics from an Islamic perspective, (2) analyze the processes of maintaining halal certification, and (3) identify the challenges faced by logistics operators in sustaining compliance. This study examines how Kokubu Food Logistics Malaysia Sdn. Bhd. (KFLM), a subsidiary of Japan's Kokubu Group, manages the complexity of sustaining halal compliance in daily operations. Using a qualitative case-study approach, data were collected through semi-structured interviews with three key personnel directly involved in halal logistics management. Thematic analysis was applied to identify major themes related to research objectives. The findings show that while KFLM has established a strong Halal Assurance System supported by clear SOPs, regular audits, and departmental coordination, the company continues to face financial pressures, varying levels of staff awareness, and inconsistent customer compliance. External regulatory changes further compound these issues, particularly when global halal standards do not align with JAKIM's guidelines. Despite these challenges, the study highlights KFLM's resilience through continuous training, structured documentation practices, and close engagement with certification authorities. The research contributes to the theoretical understanding of halal logistics as an operational expression of *Maqasid al-Shariah* and offers practical insights for policymakers seeking to strengthen standard harmonization, traceability, and industry support mechanisms. Overall, the study underscores that halal logistics is not merely a technical process but a reflection of ethical responsibility, organizational discipline, and the broader principles of *amanah* and *halalan toyyiban.*

Keywords: *Halal logistics, halal certification, maintaining halal integrity, halal compliance, Kokubu Food Logistics Malaysia Sdn. Bhd*

1. Introduction

Halal is a term that refers to anything acceptable or allowed by law, which is derived from the Arabic language and is the central theme of Islamic law that determines what can be eaten, used, and produced (Abdullah et al., 2021). In Malaysia, where most of the population is Muslim, observing halal principles is not only a religious commitment but also an economic requirement. The halal industry in the country has expanded at a fast pace to keep up with the rising Muslim population, which makes up 63.5% (Population and Housing Census 2020) of the total population of 34.2 million people in 2025 (Department of Statistics Malaysia [DOSM], 2025). So consumer requests for halal goods and services, especially in the logistics sector, have gone up significantly.

Halal logistics is one of the essential components of the halal supply chain. The main role of these systems is to ensure that products do not get contaminated or mixed with impurity (*najs*) or non-halal elements in all stages of transportation, warehousing, and distribution. In this way, logistics operations help to maintain the concept of *halalan toyyiban* from a religious point of view. This concept not only requires that goods be permissible but also that they be pure, safe, and healthy for humans to consume. According to the Halal Malaysia Portal (2025), over a hundred logistics companies in Malaysia have registered with JAKIM to offer halal-compliant services. This positive trend indicates that industry players are becoming

more and more aware of the necessity of following Shariah principles in their operational practices.

Maintaining halal certification, however, continues to be a complicated procedure riddled with various problems. To this end, enterprises should guarantee the absolute separation of halal and non-halal products, carry out regular checks on Halal Control Points (HCPs), and keep their records in accordance with the Malaysian Standard MS2400:2019. These stipulations usually cause higher expenses of operations and the necessity for the training of staff in new skills. On top of that, a slip in compliance may lead to a certificate suspension, a decrease in customer trust and a tarnished image of the company (Harun et al., 2023).

Halal certification, although it enables logistics firms to gain a competitive advantage, is usually difficult to maintain over the long term. The certification procedure, overseen by JAKIM, is very detailed as it requires a lot of documentation, is subject to frequent audits, and must be renewed in a timely manner. This activity calls for a high level of organizational discipline and a financial investment of considerable size. Logistics providers are often confronted with obstacles both inside and outside their organizations. Among these obstacles are the lack of sufficient knowledge of halal requirements by the staff, non-uniform implementation of Standard Operating Procedures (SOPs), and an increase in operational costs due to compliance (Husna et al., 2024). On top of that, there are external factors like changing regulatory requirements and the evolution of customer expectations that make it even harder.

The complexity of maintaining halal integrity in logistics is further compounded by the inconsistencies that exist among global halal certification standards. Variations between JAKIM's regulatory framework in Malaysia and the guidelines of other international halal authorities often create practical barriers for companies operating across borders. These differences can lead to confusion, duplication of certification efforts, and operational inefficiencies, particularly for firms engaged in international trade (Mahidin & Saifudin, 2017). Without consistent adherence to Shariah principles and transparent monitoring systems, the risk of contamination, non-conformance, or even suspension of halal certification becomes a serious concern.

Against this backdrop, it becomes essential to understand how logistics companies navigate these multifaceted challenges to preserve halal integrity while remaining operationally competitive. This study, therefore, focuses on Kokubu Food Logistics Malaysia Sdn. Bhd. (KFLM), a subsidiary of Japan's Kokubu Group, which offers an exemplary case of how an international logistics provider integrates Japanese management discipline with Malaysia's halal certification framework. This intersection between global business practices and Islamic ethical governance presents unique managerial and cultural dynamics that have yet to be extensively explored in halal logistics literature. Hence, this research aims to investigate the mechanisms and challenges involved in maintaining halal compliance and operational integrity within a real-world corporate setting. Specifically, the objectives of the study are to:

- explain the concept of halal logistics from an Islamic perspective,
- analyze the processes involved in maintaining halal certification for logistics operations, and
- identify the challenges faced by KFLM in implementing and sustaining halal logistics standards.

From a theoretical standpoint, the study enriches the understanding of halal logistics as an operational system that embodies the higher objectives of Islamic law (*Maqasid al-Shariah*). It highlights how the protection of faith (*hifz al-din*), life (*hifz al-nafs*), and wealth (*hifz al-mal*) can be realized through ethical and transparent logistics practices (Majid et al., 2023). From a practical perspective, this research provides valuable insights for logistics operators seeking to strengthen their halal assurance frameworks, enhance staff competency, and foster stronger collaboration with certification authorities. For policymakers and regulators, the findings emphasize the importance of harmonizing global halal standards, improving traceability mechanisms, and expanding capacity-building initiatives within the logistics sector.

In sum, halal logistics plays a central role in Malaysia's halal supply chain ecosystem by ensuring that all stages of storage, transportation, and distribution comply with Islamic principles. Although the nation's halal certification system under JAKIM is well established, empirical studies on how multinational

logistics companies sustain compliance in practice remain limited. By examining KFLM's experiences, this study sheds light on the real-world application of halal governance across cultural and regulatory contexts, bridging the gap between theory and practice in the evolving landscape of global halal logistics.

2. Literature Review

The concept of halal logistics has been a major focus of the attention of scholars and industry players, in the last few years, as the global halal market keeps expanding, and consumer awareness rises. Halal logistics is about the management of supply chain processes such as transportation, storage, and product handling which must be carried out according to Islamic law (*Shariah*). According to Ridhwan et al. (2020), halal logistics is about tracing the chain from the source of raw materials to the final delivery of the product in such a way that the chain is free from contamination by non-halal substances or impure (*najs*). It derives from the Quranic principle *of halalan toyyiban*, which requires that allowed goods should not only be pure but also safe and wholesome.

In Islam, the management of logistics goes beyond mere operational efficiency and is also morally and spiritually accountable. Halal logistics is one of the examples of implementing *Maqasid al Shariah*, the higher objectives of Islamic law, which in turn support the idea of protection of the most fundamental human values, such as faith (hifz al din), life (hifz al nafs), intellect (hifz al 'aql), lineage (hifz al nasl), and wealth (hifz al mal). Once these goals are met, logistics activities become a means not only of economic sustainability but also of ethical and social harmony. As an example, cleanliness (*taharah*) and avoidance of contamination are related to life and health preservation, whereas business transparency is justice and the protection of wealth.

On top of that, Malaysia's halal logistics system, governed by the Malaysian Standard MS2400:2019, is very clear about the requirements that are necessary to ensure that every logistical step is in accordance with Shariah. It is based on the idea that the halal and non-halal products should be kept in different places, all the operations handling should be documented, and Halal Control Points (HCPs) should be identified and checked for any breach that would cause halal integrity to be violated. By implementing these measures, halal logistics are not only a religious requirement but also a systematic quality assurance model that supports both domestic and international trade (Safian et al., 2020).

A person who wants to maintain a halal certificate must always comply with the Manual Procedure for Malaysia Halal Certification (MPPHM), which is prepared by the Department of Islamic Development Malaysia (JAKIM, 2022). It is definitely not a single occurrence but rather the entire procedure comprises cycles of filing, monitoring, and renewal which guarantees that the operations are in accordance with Shariah and the regulatory standards. A logistics company as an organization should establish a Halal internal assurance system that includes an Internal Halal Committee (IHC) formation. This committee is the implementation of halal-related policies, the internal audit organization, and operations monitoring of HCPs. The committee should have a minimum of two Muslim members who have sufficient knowledge of halal management (Shahruddin et al., 2025). Companies, moreover, should maintain comprehensive records that cover Standard Operating Procedures (SOPs), training records, supplier certificates, and audit reports. These records serve as proof of compliance and are available for JAKIM's periodic inspections.

To manage halal certification, technological innovations have removed the limitations that existed before. Rejeb et al. (2021) bring up blockchain technology and the Internet of Things (IoT) to explain how these technologies are increasingly being used for creating secure halal traceability systems. Such advanced options make it possible for the product flow to be monitored in real time, reduce the chances of human error, and pave the way for certification process transparency to the public. Similarly, Belkhatir et al. (2020) argue that digitalization equips halal logistics stakeholders with the ability to manage intricate supply chains involving cross-border trades where the accuracy and transparency of documents are of utmost importance.

Basically, halal certificate maintenance is not only about keeping the organization in line with the halal food guidelines but also about ensuring that the organization functions as a morally upright entity with characteristics such as ethical integrity, accountability, and the unceasing pursuit of self-improvement. The renewal phase, which generally occurs every two years, is a time to examine the system and deal with the non-

conformances raised by logistics companies. Failure to comply with these procedures may result in the issuance of nonconformance reports, a temporary suspension of certification, or even the loss of consumer trust.

Though Malaysia enjoys a good reputation worldwide as a leader in halal certification, logistics companies still have various problems with the implementation and maintenance of halal standards. The issues can be grouped into three major categories, namely operational, regulatory, and human resource problems. The complex nature of the halal supply chain is the main reason why logistics providers find it difficult from an operational side. Any single node in the network, i.e., suppliers, transporters, and storage facilities, needs to be halal compliant to be able to stop contamination. The risk of cross-contamination escalates if a company is involved in the handling of both halal and non-halal goods, particularly in mixed cargo operations (Faradina et al., 2018). Consequently, logistics providers are required to make investments in new facilities such as separate storage units, temperature-controlled vehicles, and sanitation systems to remain compliant.

As for the regulation, the biggest obstacle is the differences in global halal standards. Mahidin and Saifudin (2017) mention that Malaysia sets very high standards for halal regulation, but many other countries consider halal certification as a voluntary practice. The inconsistency thus created fragments international trade and forces companies to obtain several certificates to meet the different requirements of various markets. Furthermore, changes in internal regulations such as JAKIM's revised rules on cross-border halal certificates usually result in adjustments in operations that are both time-consuming and costly.

When it comes to human resources, the issues concerning the HR department further exacerbate the situation for the implementation of halal logistics. Many logistics companies face problems such as low staff awareness and insufficient training in halal management. According to Voak and Fairman (2020), staff at all levels should not only acquire the technical knowledge of halal logistics but also be aware of its ethical and spiritual aspects. Without adequate knowledge and training, employees may inadvertently violate halal procedures, thus putting the company's certificate at risk. Moreover, on the one hand, the high cost of continuous training and, on the other, the frequent occurrence of staff turnover make it difficult to establish sustainable programs for capacity building.

Besides all these, monetary restrictions overlay the issue with yet another layer of complexity. Maintaining a halal certificate means the bearer must incur quite a few costs, among which are application and renewal charges, inspection fees, pest control costs, and *sertu* cleansing procedures when there is contamination. These costs can become a real headache for operating small and medium enterprises (SMEs) so that some of them may even view halal certification as nothing more than a bureaucratic burden, thereby losing the opportunity of viewing it as a strategic business investment (Husin et al., 2021).

Maintaining halal integrity throughout the entire logistics chain is essential in order to retain consumer trust, corporate reputation as well as sustainable economic growth. From the perspective of Islamic law, the idea of integrity (*amanah*) is the fundamental moral value that underpins the conduct of business. If a halal product is mishandled or contaminated, its religious permissibility is limited; thus, it negatively affects the trustworthiness of the entire supply chain (Majid et al., 2023).

In addition, consumer perception is the vital factor that keeps halal businesses going. Muslim consumers, in particular, are becoming progressively more aware of the processes involved in halal certification and hence, they require transparency at every stage of the supply chain. The discovery of any non-compliance situation would result in loss of both reputation and money. Husna et al. (2024) believe that the success of halal logistics companies depends largely on their ability to maintain their credibility through the halal assurance system which is actually implemented and can be seen.

Furthermore, maintaining halal integrity will serve well for the global competition in the halal industry. Not only do halal logistics companies attract Muslim consumers by providing very stringent standards of cleanliness, traceability, and good conduct, but also non-Muslim markets that place a high value on quality assurance and safety are attracted. Besides that, through the merger of halal principles with international quality management systems such as ISO 9001 and HACCP, companies are not only able to streamline their

operations but also bolster their compliance mechanisms (Karim et al., 2018).

3. Research Methodology

This research utilized a qualitative research design through a single case study approach. The qualitative approach was chosen as it allows exploring in detail the experiences, perceptions, and practices of people who are directly engaged in halal logistics operations. Creswell and Poth (2018) clarified that qualitative research is the best fit when the researcher aims to delve into complex social phenomena in their natural setting and thus it helps to uncover the meanings that are not accessible through quantitative instruments.

The case study framework is an in-depth analysis of a particular organization in its real-life context. Yin (2018) states that the case study method gives an opportunity to view the researched phenomenon in its entirety, and the use of various evidence sources to understand the underlying mechanisms in detail. In this study, Kokubu Food Logistics Malaysia Sdn. Bhd. (KFLM) was chosen as the case due to its goodwill as a halal-certified logistics provider under the supervision of JAKIM. The company's journey in handling halal compliance makes it a relevant and feasible area for research the issue of maintaining halal integrity in the logistics industry.

Kokubu Food Logistics Malaysia Sdn. Bhd. is a holding company of the Kokubu Group in Japan, which is engaged in the storage, transportation, and distribution of food and beverages in a temperature-controlled environment. KFLM is situated in Shah Alam, Selangor, and offers complete logistics solutions to both local and international clients. The company has been certified halal by JAKIM and is committed to operating according to stringent halal standards to assure the integrity of its services. With its long experience and well put together halal compliance system, KFLM is a perfect place to explore the operational and managerial challenges in maintaining halal logistics practices.

This study used purposive sampling to select participants knowledgeable and directly involved in halal logistics operations. Purposive sampling enables the researcher to single out the most informative cases that provide the deepest insights into the research objectives (Palinkas et al., 2015). Three participants were chosen for this research: the Halal Executive, the Directing Manager, and the Transport Manager. These three individuals not only ensured the day-to-day operations of their departments ensured Halal compliance but also, therefore, represented different managerial views of the company's Halal assurance system.

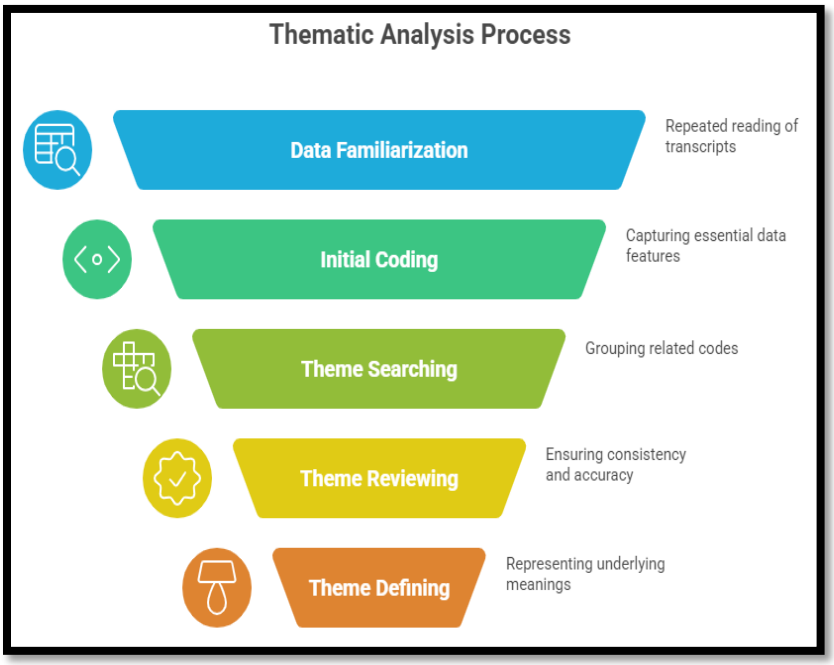
The choice of a small, targeted sample is consistent with qualitative research principles, which emphasize depth rather than breadth. As Guest et al. (2020) state, qualitative insights are best realized through smaller samples that make it possible detailed examination of participants' views and experiences rather than generalization to larger populations. Data collection involved semi-structured interviews. The main reason for this choice is that the method facilitates flexibility in probing participants' responses while at the same time keeping a clear structure in line with the research objectives. The duration of each interview was about 45 to 60 minutes and were held face-to-face at the company premises to ensure confidentiality and comfort.

The interview protocol had three main parts. The first part was about participants' understanding of halal logistics and its principles. The second part was devoted to the company's certification of halal activities. The third part of the program explored the problems encountered in the implementation and continuation of halal compliance. Depending on the participants' preferences, all the interviews were held in English and Malay. Also, they were audio-recorded with the consent of the interviewees. Notes were made to capture non-verbal cues and contextual-related observations.

The qualitative data gathered from the interviews were analyzed using thematic analysis. This methodology was selected as it offers a detailed procedure for recognizing, arranging, and explaining the interpretative patterns in the qualitative data (Braun & Clarke, 2021). It is essentially an inductive process, carried out by six significant steps:

- Familiarization with the data through repeated reading of transcripts.
- Generation of initial codes to capture essential features of the data.
- Searching for themes by grouping related codes.
- Reviewing themes to ensure consistency and accuracy.
- Defining and naming themes to represent the underlying meanings.
- Producing a coherent narrative that integrates the themes with relevant literature.

Figure 1: Thematic Analysis Process



Source: Braun & Clarke (2021)

The data were coded manually and checked using the constant comparison method to maintain the credibility and consistency of the data. The themes that emerged from the data were aligned with the research objectives and later reviewed by the academic supervisor for analytical validity. In order to confirm the trustworthiness of the findings, the present research has adopted the characteristics of credibility, dependability, transferability, and confirmability as defined by Lincoln and Guba (1985). To establish credibility, triangulation of data sources, long-term involvement with the participants, and member checking, where the participants examined and confirmed the accuracy of the interview transcripts, were employed. The researchers ensured dependability by keeping a detailed audit trail of research decisions, interview notes, and coding procedures. Transferability was facilitated through detailed, contextualized descriptions of the case, thus allowing readers to judge the relevance of the findings to different settings. Conformability was supported by the researchers' reflexivity and the effort to reduce personal bias through the clear, documented, and transparent stages of the research process. Approval of the ethical aspects of the present research was granted by the Faculty Research Ethics Committee. The participants were informed about the study's purpose, their voluntary involvement, and the option to leave the study at any time. To maintain confidentiality, pseudonyms were used, and, where it was deemed necessary, company-related data were anonymized. The researcher only had access to the audio recordings and transcripts, which were kept in a safe place.

4. Results and Discussion

This section presents and discusses the findings obtained from semi-structured interviews conducted with three key personnel at Kokubu Food Logistics Malaysia Sdn. Bhd. (KFLM), namely the Halal Executive, the Directing Manager, and the Transport Manager. The analysis of their responses resulted in

three overarching themes: (1) understanding of halal logistics and organizational awareness, (2) maintaining halal certification and operational compliance, and (3) challenges in implementing and Sustaining Halal Logistics. Each theme is discussed in detail below:

Theme 1: Understanding Of Halal Logistics And Organizational Awareness

The following table summarizes selected excerpts from the interviews, illustrating how each informant interprets understanding of Halal Logistics and Organizational Awareness based on their respective roles and departments**:**

Table 1: Interview Questions and Quotations from Informants' Responses on Understanding of Halal Logistics and Organizational Awareness

Question	Informant 1 (18 June 2025)	Informant 2 (21 June 2025)	Informant 3 (21 June 2025)
a) From your perspective, how would you define "halal logistics"?	*"According to the Halal word itself, it means what is permissible and lawful by Shariah. Meanwhile, the prohibited or unlawful according to Shariah is that there cannot be any contact, mixing or even cross-contamination with alcoholic drinks (intoxicants), porcine, dog or any substances that come from a haram source. Moreover, Halal logistics can be defined as it includes all of the logistics activities such as inbound, outbound, delivery, transportation and others. As for Kokubu itself, we focus on transportation and warehousing that must comply with Islamic law and authority regulations whereas there cannot be any mixing and contact between any materials or substances that are prohibited by Shariah"*	*"In my opinion, I think Halal logistics means all the processes that are involved like transportation, warehousing, storing goods, and others must be free from haram (unlawful or prohibited by Shariah) substances. What I mean is, the whole process of the supply chain from the raw materials, goes through the process of manufacturing until it becomes a perfect finished product to be delivered to consumers, all of the process must be free from unlawful or prohibited substances."*	*"From raw materials to finish products, all of it must be free from any non-halal or haram substances, which means the supply chain itself must be free from contamination or contact with non-halal substances at all process levels. This is what Halal logistics means".*
b) In your view, how important is Shariah compliance in the supply chain, especially in halal food logistics?	*"Shariah compliance is important to maintain halal integrity in Kokubu. In addition, by complying with Shariah requirements, Halal integrity will be more guaranteed and can gain customer trust, especially for large companies to attract customers to use our services and then gain customer trust. Some customers are more likely to choose halal logistics services because their products already have halal certificates and to maintain halal transparency for their products. When the company complies with Shariah, it is closely related to halal. For example, in terms of cleanliness and preserving product quality. If the Shariah*	*"Halal logistics is important for the supply chain for the global market because we not only focus on the domestic market but we also focus on abroad customers. Halal logistics are also crucial for the Halal global market because the Muslim population is globally increasing. With Halal certification, the chance of the business to grow even further increases because there are high demand for the Halal*	*"First, we must comply with the Shariah compliance because if not do so, it will break the Halal supply chain. Second, the supply chain must be in good condition which means that the supply chain itself must practice Halal service. The compliance with Shariah is also to prevent any cross-contamination and contact with non-halal substances. It is also important to*

	standards are not complied with, the probability of errors is high such as lorry drivers carrying non-halal goods when delivering products to customers. In addition, the halal certificate is also at risk of being withdrawn, customers lose trust in the services offered and customers will look for other logistics services. There are approximately 107 logistics companies registered in Malaysia that comply with Shariah and apply for halal certificates. Therefore, there is competition between companies that offer halal logistics services."	*global market. We at Kokubu are not only certified Halal by JAKIM but also certified by ISO where these certifications preserve the quality of the product and quality of the management."*	*ensure and preserve Halal integrity of F&B products and good condition of the product's quality."*
c) What are the key Islamic principles that should be considered in halal logistics?	*"When we talk about, the first thing is must be clean and hygiene means the handled products must be free from any najs (impurity) like najs mukhaffafah, mutawassitah and mughallazah. However, Najs Mukhaffafah is not relevant in the logistics industry. Ensuring the products are safe from cross-contamination with najs mutawassitah like mouse droppings and najs mughallazah like intoxicant drinks, porcine and dog during the storage and transportation process. Besides, segregation between halal and non-halal products is obligatory because mixing with halal and non-halal products is prohibited according to Shariah law. At KFLM, all the F&B products that are registered under this company are certified Halal by JAKIM or any foreign certificate bodies that are recognized by JAKIM. Moreover, responsibility plays a vital role. For example, I as Halal Executive at this company, need to ensure that our service complies with JAKIM requirements and regulations related to this industry. Other departments are also responsible and play vital roles to ensure Halal integrity".*	*"The only Islamic principle that I know is hygiene and cleanliness, because every religion considers hygiene to be one of the most important things in life. So, here at Kokubu, hygiene and cleanliness are our top priority aside from preserving product quality and perfect service. The methods that we use here include have schedule for cleaning every area inside this company. The schedule ensures a continuous clean area of the warehouse. Besides, we also implemented a pest control mechanism around the warehouse to prevent any breach of wild pests".*	*"I think maybe cleanliness can be one of the principles that should be considered, because hygiene is very important, not only at this company, but everywhere also hygiene must be a priority. Here, since I am responsible for transportation, every day the driver must make sure the trucks are in clean and good condition. We also have a schedule to clean the trucks by washing them. This is to preserve and maintain the quality of the products and also the Halal status of the products".*

Source: Personal Interview with Informants

The first theme highlights the participants' understanding of halal logistics and their awareness of its principles. The interviews with the three informants reveal a consistent understanding of what halal

logistics means within the operational context of Kokubu Food Logistics Malaysia (KFLM). All three informants emphasized that halal logistics is fundamentally about ensuring that every stage of the supply chain, beginning from the handling of raw materials right up to the delivery of the finished product, remains completely free from any form of contamination with non-halal substances. Although each informant described the concept in their own way, they shared the same core belief that halal logistics is not simply about moving goods; it is a responsibility to safeguard religious compliance throughout the logistics process. This includes strict segregation of halal and non-halal items, maintaining cleanliness, and ensuring that no cross-contamination occurs at any point.

The importance of Shariah compliance was also strongly highlighted across all interviews. Informant 1 explained that adherence to Shariah requirements is essential not only to protect the integrity of halal products but also to maintain customer trust. He mentioned that any failure to follow these requirements, such as a driver mistakenly transporting non-halal goods, could place the company's halal certification at risk and damage its credibility. Informant 2 supported this view by noting that halal compliance strengthens the company's position in both local and international markets, particularly with global demand for halal products increasing in line with the growing Muslim population worldwide. Informant 3 added that any disregard for Shariah principles could disrupt the entire halal supply chain, which would defeat the purpose of halal logistics altogether. Their collective responses show that Shariah compliance is regarded as both a religious obligation and a critical business strategy.

When discussing the key Islamic principles that guide halal logistics, cleanliness emerged as the most prominent theme. Informant 1 gave a detailed explanation of the different categories of *najs* and emphasized the need to prevent contamination during storage and transportation. His response reflects a strong understanding of Islamic jurisprudence and its direct relevance to logistics operations. Informants 2 and 3 echoed this focus on cleanliness by describing the practical steps taken at KFLM, such as scheduled cleaning routines, pest control measures, and daily inspections of vehicle hygiene. Their comments illustrate how Islamic principles such as *taharah* (cleanliness) and *amanah* (responsibility) are applied in daily operations, ensuring that both the quality and the halal status of the products are preserved.

Overall, the interview data demonstrate that employees across different departments at KFLM share a unified understanding of halal logistics and are committed to maintaining halal integrity in their respective roles. Their perspectives show not only technical knowledge about halal procedures but also an appreciation for the ethical and spiritual values that underpin them. This shared understanding strengthens the company's internal culture and supports its sustained efforts to uphold halal standards consistently.

Theme 2: Maintaining Halal Certification and Operational Compliance

Table 2: Interview Questions and Quotations from Informants' Responses on Maintaining Halal Certification and Operational Compliance

Question	Informant 1 (18 June 2025)	Informant 2 (21 June 2025)	Informant 3 (21 June 2025)
a) Could you explain the process your company follows to obtain and maintain halal certification?	*"The first way for Kokubu to obtain a halal certificate is to apply on the JAKIM website, MyeHalal. The application must be made as early as 6 months before the expiry date of the halal certificate. After JAKIM has reviewed the application, we will send relevant documents such as the company profile, Halal minutes meeting, HAS manual and others. After that, JAKIM will conduct a field audit at our*	*Firstly, we must make sure all of the related documents are sufficient before proceeding to make an application. After the application was made, JAKIM will conduct on field audit from documentation to*	*From the view of transportation departments, we make sure that the trucks are in a clean condition and free from any najs. If there is any contact with najs mughallazah, we will perform sertu for the truck to vanish the najs. We also make sure that there are no non-halal*

	company by conducting an audit of all documents related to halal. JAKIM will also conduct an audit of the application and handling of products in the warehouse or transportation to see if we comply with the conditions set by JAKIM and relevant laws. For example, JAKIM will check the company's SOPs such as inbound, outbound. Halal certificates for products registered in the warehouse. If there is no halal certificate, supporting documents must be included to prove that the product is free from non-halal elements. If there are any SOPs or product handling that do not follow JAKIM's conditions and regulations, then they will give an NC (non-conformance) to Kokubu. After JAKIM completes the field audit, they will hold a closing meeting. Then they will provide a list of NCs and the company must respond within 5 days to send an audit report and close the NC. After sending the corrected NC, JAKIM will bring it into the panel meeting to obtain agreement and approval from the panel. Only then will the halal certificate be issued by JAKIM."	*a site audit, like a warehouse and a truck. After the audit is done, if there are any NC given by the JAKIM, we have only 5 to 14 business days to do corrective action. After that, the follow-up audit will be conducted by JAKIM to check whether the NC has been closed or not."*	*products in the warehouse to prevent any cross-contamination with the halal products. That's how we play a role as the transportation department to maintain halal integrity in our company and services."*
b) What kind of documentation and audits are involved?	*" The documents that are obligated to be audited by JAKIM are the HAS manual because it includes many important aspects like the company's profile, Halal policy, SOP inside the warehouse, SOP of transportation, training record, sertu record, appointment letter, and IHC organization chart.*	*"Every established SOP that relates to Halal will be involved during audit, and for types of audits, we have two types which are JAKIM audit for Halal and customer audit for quality."*	*"The documents that are involved in audits are like a manifest form for the driver to fill, a delivery order, a delivery note and many others."*
c) How do you ensure halal compliance throughout the logistics chain (storage, handling, transport)?	*"Ensure all staff comply with the company's SOP such as the inbound SOP which requires a tally sheet. Ensure that the halal certificate of each product has not expired and if it is about to expire or has expired, it is necessary to request a copy of the renewed halal certificate from the customer and then update it in the halal master list. Next, during the receiving*	*"One of the methods we use to maintain Halal certification is establishing Halal Control Points throughout every process step."*	*"First step, before the customer's products enter our warehouse, the driver must hand all of the documents of the products to our staff. Our staff will then check all of the information about the products to ensure they fulfil all of the requirements, and the*

	process, the quality officer or warehouse manager must ensure that each incoming product has a valid halal certificate or supporting documents. In addition, during the transportation process, it is also necessary to ensure that each outgoing product has a valid halal certificate, and that there is no cross-contamination with non-halal materials before being sent to the customer. Then, I will also conduct random inspections in the warehouse and lorries to ensure that staff comply with halal requirements."		*most important thing is checking the halal certificates of the products. The second step is that the products will be stored in the warehouse according to the products' nature. The third step is, when the products have to be delivered to our customers, the products will first be checked to ensure they are of good quality and there is no contact or cross-contamination with non-halal substances. The fourth step is to ensure the trucks are in clean condition and free from any najs."*
d) Are there any specific SOPs (standard operating procedures) related to halal practices that your company must adhere to?	*Among the SOPs related to halal requirements are inbound, outbound, and Halal Control Point. With the existence of SOPs, halal integrity is more guaranteed and maintained to avoid any non-conformance that can reduce the company's halal integrity. Each SOP must have supporting evidence (in writing, either softcopy/hardcopy) or a form. To ensure that all staff comply with the company's SOPs, training will be provided to staff so that they understand the importance of SOPs and comply with them."*	*"SOP documents related to Halal are like receiving, picking and dispatch."*	*"All of the related SOPs that are stated in the contract."*

Source: Personal Interview with Informants

The second theme focuses on the mechanisms adopted by KFLM to maintain halal certification. Participants reported that the company strictly follows JAKIM's halal certification procedures, which involve continuous documentation, audit preparation, and staff monitoring. The Halal Executive detailed that KFLM has developed its own Halal Assurance System (HAS) that integrates Halal Control Points (HCPs) into daily operational workflows. These HCPs include vehicle inspection, loading and unloading procedures, warehouse sanitation, and personnel hygiene. Their explanations also show that halal certification at KFLM is not a one-time administrative task, but an ongoing, organization-wide effort that involves documentation, audits, and continuous monitoring across all logistics activities.

All three informants agreed that the certification process begins with a formal application submitted through JAKIM's MyeHalal system. This application must be prepared well in advance, typically six months before the expiry of the existing certificate. According to Informant 1, the application requires the company to submit various documents including the Halal Assurance System (HAS) manual, minutes of halal committee meetings, standard operating procedures (SOPs), training records, and product-related documents. Once the application is reviewed, JAKIM conducts an on-site audit to examine both

documentation and operational practices. Informant 2 confirmed that this audit covers the warehouse, transportation units, and other areas involved in product handling. If any discrepancy is detected, JAKIM issues a non-conformance (NC) notice, which the company must resolve within a specified timeframe. The corrected NCs are then reviewed in a follow-up audit before the case is brought to the JAKIM panel for approval.

Beyond the certification process, the maintenance of halal compliance is deeply embedded in KFLM's daily operations. Informant 1 explained that compliance begins with ensuring that every incoming product has a valid halal certificate. If a certificate is missing or near expiry, the company immediately contacts the customer to obtain an updated copy. Random inspections are also conducted in the warehouse and on company vehicles to ensure that handling practices align with halal requirements and that no cross-contamination occurs. Informant 2 highlighted the role of Halal Control Points (HCPs), which serve as checkpoints across the logistics chain to ensure that each process step adheres to Shariah-compliant standards. From the transportation perspective, Informant 3 described how cleanliness checks are carried out before products are received, during storage, and before delivery. He also noted the need for *sure* cleansing procedures if any contact with severe impurities (*najs mughallazah*) is suspected.

The interviews also shed light on the types of documentation and audits involved in halal certification. KFLM is required to maintain a comprehensive HAS manual that outlines the company's halal policies, procedures, and responsibilities. Informant 1 listed several key documents, including the SOP for inbound and outbound processes, appointment letters of halal committee members, and records of *sertu* procedures. Informant 2 added that the company undergoes two types of audits: halal audits by JAKIM and quality audits by customers. Meanwhile, Informant 3 pointed out the operational documents used in audits, such as delivery notes, manifests, and product movement records.

SOPs play a central role in sustaining halal integrity across the logistics chain. Informant 1 mentioned that SOPs exist for inbound and outbound activities and that adherence to these procedures is monitored through regular internal training. Informant 2 referred to SOPs for receiving, picking, and dispatch processes, while Informant 3 emphasized that all SOPs outlined in contractual agreements must be followed without exception. These SOPs ensure consistency across departments and help minimize the risk of errors that could compromise halal integrity.

Overall, the interview findings illustrate that KFLM's halal compliance is built on a structured system supported by documentation, audits, clear SOPs, and continuous monitoring. The commitment shown by staff from different departments reflects a shared understanding of the importance of halal certification, not only for regulatory purposes but also as part of the company's ethical and operational culture.

Theme 3: Challenges in Implementing and Sustaining Halal Logistics

Table 3: Interview Questions and Quotations from Informants' Responses on Challenges in Implementing and Sustaining Halal Logistics

Question	Informant 1 (18 June 2025)	Informant 2 (21 June 2025)	Informant 3 (21 June 2025)
a) What are the main challenges your company faces in implementing halal logistics?	*Among the challenges that we faced here to implement and maintain the Halal certificate is the high cost. The involved costs are application fee, processing fee, training costs like Halal Executive Training, Halal Audit Training, Halal Awareness Training and Halal compliance training. Besides, the other costs are maintenance costs like if have any contact with Najs*	*"I think the cost is the challenges that we faced because we want to maintain a Halal certificate, of course we have to incur the cost, no problem, but the thing is maintaining Halal will come with indirect costs. I mean like when we apply for Halal, of course we have to pay for the fee, but*	*"The challenges that we faced here are first the compliance of our staff with Halal requirements. This is a challenge to our company because some of the staff are not aware of the importance of Halal requirements. This might be a loophole in*

	Mughallazah, then must perform the sertu process whereas need to pay to JAIS."	*the indirect cost that I mean is the other cost like staff training cost, typhoid cost, pest control cost. All of those are indirect costs that become JAKIM requirements. So, we have to bear the cost."*	*our company's Halal because it might affect our Halal integrity."*
c) Are there external challenges, such as regulatory changes or customer demands that impact halal logistics?	*"The external challenges that we faced are customers' demand where they want the highest quality of Halal service but they pay us with cheaper price. This is not commensurate with the quality of service that we provide. Another challenge is that authorities like JAKIM make changes or additions to the requirements and regulations to renew the Halal certificate. For example, the addition of new regulations that products cannot be certified by a cross-border certificate."*	*"I think awareness from customers is really important regarding Halal requirements. Sometimes, they choose to ignore it even though they know it is important for Halal. An example like one of our customers, they have a cross-border Halal certification. This is one of the JAKIM requirements that cross-border Halal certificates are not valid. So, when this happens, we will also be the wrong deed from the customer because not comply with JAKIM requirements. This can affect our company's Halal integrity."*	*"Other challenges are that the compliance from customers themselves may be a factor of the Halal challenges in our company. If the customers are not aware of the importance of Halal requirements, we worry that the customers will not comply with the Halal requirements and that will have an impact on our company's Halal."*
d) In your opinion, do you think the period to renew a halal certificate is reasonable? If not, why?	*"The period of renewal of Halal certification is reasonable and there is no problem with our company to follow the set period."*	*"For me, there is no problem with the Halal certificate renewal period as it is also important for us."*	*"The renewal period of the Halal certificate is not a challenge for our company, and it is still reasonable."*

Source: Personal Interview with Informants

The third theme addresses the multifaceted challenges faced by KFLM in implementing and sustaining halal logistics operations. Informants reveal several important challenges faced by KFLM in implementing and sustaining halal logistics. Although the informants spoke from different departmental roles, their insights point to three main areas of concern: financial pressures, staff awareness, and external factors involving customers and regulatory authorities.

Financial Burden as a Central Challenge

All three informants acknowledged that the cost of maintaining halal certification remains one of the largest obstacles for the company. Informants 1 and 2 explained that halal certification brings not only the expected fees for application and processing but also a series of additional expenses that accumulate throughout the year. These include the cost of staff training, typhoid vaccinations, pest-control services and specialized cleansing procedures such as *sertu* when contamination with *najs mughallazah* is suspected. Their explanations show that halal certification requires continuous financial commitment, and the burden of these recurring costs cannot be ignored in long-term planning.

Internal Challenges Linked to Staff Knowledge and Compliance
While financial issues were highlighted by the first two informants, the third informant offered a different perspective by focusing on human factors within the organization. He noted that not all staff fully understand the importance of halal requirements, which creates gaps in compliance. When employees overlook or misunderstand halal procedures, the company's halal integrity becomes vulnerable. His explanation illustrates that the effectiveness of halal logistics depends not only on formal systems and SOPs but also on the awareness and discipline of those responsible for executing them.

External Pressures from Customers and Regulatory Changes
The interviews also indicate that KFLM faces external challenges that stem from customer behavior as well as evolving regulatory expectations. Informants 1 and 2 pointed out that some customers demand high-quality halal services but are unwilling to pay in accordance with the level of service they expect. In addition, there are cases where customers themselves fail to meet halal requirements, for example, by supplying products certified using cross-border halal certificates that are not recognized by JAKIM. When customers disregard these standards, KFLM risks being penalized for non-compliance even though the fault does not originate from the company.

Regulatory adjustments introduced by JAKIM also contribute to operational difficulties. Informant 1 mentioned that new rules, such as the restriction on accepting cross-border halal certificates, require companies to revise their internal processes, update documentation and conduct additional training. These changes, while necessary for improving halal governance, demand time, effort and financial resources.

Renewal Period Viewed as Reasonable
Despite the challenges discussed, all three informants agreed that the renewal period for the halal certificate is reasonable. None of them regarded the renewal timeframe as a burden. This consistency shows that KFLM has developed strong internal systems and is confident in managing the renewal process efficiently.

The findings suggest that KFLM's challenges are wide-ranging. The company must deal with financial demands associated with compliance, ensure that staff remain aware and disciplined in following halal procedures, and address external influences such as customer behavior and regulatory changes. Even so, the company demonstrates stability in managing certificate renewals, indicating a well-established halal assurance structure. These insights provide a realistic understanding of the operational complexities involved in maintaining halal logistics within a multinational business environment.

5. Conclusion

This research focuses on the methods employed by Kokubu Food Logistics Malaysia (KFLM) to sustain halal integrity in their logistics operations. Findings illustrate that halal logistics at KFLM goes beyond mere compliance as it is considered a moral obligation guided by the principles of *halalan toyyiban* and *Maqasid al-Shariah*. Staff from different departments reiterated that cleanliness, segregation, having a valid halal certificate, and compliance with Shariah are their daily routine and thus their workflow. Being grounded on these common values enables KFLM to keep a robust halal assurance system and be able to fulfill the expectations of the regulators. However, the uncovered study also pointed to several challenges that are directly linked to the operational sustainability of the company. Expenses related to training, pest control, *sertu*, and audit requirements continue to be a cause of concern. The differences in staff awareness and the gaps in customer compliance that exist create the supply chain for halal as a susceptibility. Nevertheless, KFLM is showing endurance through well-planned SOPs, internal inspections, and being ahead of the game in coordinating with JAKIM, thus demonstrating how multinational logistics providers can facilitate the implementation of halal governance in the kind of business environment that is typical nowadays.

Theoretical Implications
In essence, this research exemplifies the fact that halal logistics is an applied recitation of Islamic ethical governance and not just a set of technical standards. The activities at KFLM reveal how *taharah, amanah*, and

the *Maqasid al-Shariah* are implemented through actual processes, inspections, and decision-making. This is in line with the increasing view in the halal logistics literature that organizational culture and the internalization of values are just as important as formal regulations. Besides, the study emphasizes the necessity of perceiving halal logistics in cross-border and multinational contexts. The story of KFLM demonstrates that the differences between global halal standards and the regulatory requirements in Malaysia can make the certification and operational workflow more difficult. These revelations are indicative of the fact that theoretical issues in the future should be more attentive to the functioning of halal governance across cultural, regulatory, and organizational boundaries.

Practical Implications

The findings, in essence, highlight the need to embed halal compliance in the daily operations of a business. If companies want to reinforce their halal assurance, they should invest in having clear SOPs, conducting regular training, always monitoring at Halal Control Points, and having a well-organized documentation system. KFLM's journey reveals that when employees internalize the values of halal, they find it easier to maintain compliance and the need for supervisory enforcement becomes minimal. As for the policymakers, the findings highlight the necessity of clearer communication of the changes in regulations and more harmonization between global halal standards. Easier certification procedures, the use of technology by means of an incentive, and collaboration beyond borders can very much lessen the compliance burden for industry players. These steps will enable logistics providers to uphold halal integrity in a more efficient way without the reliability of certification systems being compromised.

Limitations and Suggestions for Upcoming Research

The scope of this research was only a single case situation with three informants which limited the capacity of the findings to be generalized. The viewpoints of the frontline staff, customers, and regulatory officers were not obtained, thus, some of the operational realities and compliance issues may not have been sufficiently represented. Research on halal logistics in different company sizes and sectors should be conducted to disclose more diverse challenges and practices. Besides, studies can also target the positive effect of these technologies revolutionizing the halal food supply chain such as blockchain, IoT-based monitoring, and AI-supported inspection systems in strengthening traceability and reducing non-compliance risks. Furthermore, probing employee attitudes and organizational culture more deeply would reveal how the employees' internalization and enactment of halal values in logistics scenarios. This would help become a more comprehensive understanding of halal logistics as the convergence of religious principles, operational demands, and human behavior.

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