

Evolution Of The Concept Of 'Halal And Tayyib' In The Era Of Sustainable Investment: Implications And Opportunities For The Global Halal Industry

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ABSTRAK: Evolusi konsep 'Halal dan Tayyib' di era investasi berkelanjutan telah menghadirkan paradigma baru yang mengintegrasikan nilai-nilai Islam dengan tuntutan keberlanjutan global. Penelitian ini mengeksplorasi transformasi ini dan implikasinya terhadap industri halal global melalui studi literatur yang komprehensif. Analisis isi dan tematik dilakukan terhadap literatur terkini, termasuk jurnal akademis, laporan industri, dan fatwa ulama. Hasil penelitian menunjukkan bahwa perluasan makna 'Halal dan Tayyib' kini mencakup aspek lingkungan, sosial, dan tata kelola (ESG). Integrasi ini telah mendorong inovasi produk, reformulasi standar sertifikasi, dan pengembangan instrumen keuangan syariah berkelanjutan seperti green sukuk. Namun transformasi ini juga menghadirkan tantangan, termasuk perlunya harmonisasi standar global dan pengembangan sumber daya manusia yang kompeten. Peluang signifikan muncul dalam bentuk kolaborasi lintas sektor, penerapan teknologi canggih seperti blockchain, dan potensi untuk memimpin transisi menuju perekonomian global yang lebih etis. Kesimpulannya, evolusi konsep 'Halal dan Tayyib' membuka jalan bagi industri halal untuk tidak hanya memenuhi kebutuhan konsumen Muslim tetapi juga berkontribusi positif terhadap pembangunan berkelanjutan global. Keberhasilan industri dalam menavigasi perubahan ini akan bergantung pada kemampuannya dalam berinovasi, beradaptasi, dan berkolaborasi dalam skala global.

Kata kunci: Halal, Tayyib, Keberlanjutan, Investasi Syariah, dan Industri Global.

ABSTRACT:

The evolution of the 'Halal and Tayyib' concept in the era of sustainable investment has presented a new paradigm integrating Islamic values with global sustainability demands. This research explores this transformation and its implications for the global halal industry through a comprehensive literature study. Content and thematic analysis were conducted on current literature, including academic journals, industry reports, and ulama fatwas. The research results show that expanding the meaning of 'Halal and Tayyib' now includes environmental, social, and governance (ESG) aspects. This integration has encouraged product innovation, reformulation of certification standards, and development of sustainable sharia financial instruments such as green sukuk. However, this transformation also presents challenges, including the need for harmonization of global standards and the development of competent human resources. Significant opportunities arise in the form of cross-sector collaboration, the adoption of advanced technologies such as blockchain, and the potential to lead the transition to a more ethical global economy. In conclusion, the evolution of the concept of 'Halal and Tayyib' paves the way for the halal industry to not only meet the needs of Muslim consumers but also contribute positively to global sustainable development. The industry's success in navigating these changes will depend on its ability to innovate, adapt, and collaborate on a global scale.

Keywords: Halal, Tayyib, Sustainability, Sharia Investment, and Global Industry.

1. INTRODUCTION

The concept of 'Halal and Tayyib' has been a fundamental foundation in Islamic teachings for centuries. Initially, this concept was mainly associated with aspects of food and drink that were permitted in Islamic law. However, along with the times and the complexity of modern life, the interpretation of 'Halal and Tayyib' has undergone significant evolution. This expansion of meaning does not only include aspects of consumption but also extends to various sectors of life, including finance and investment. This transformation reflects the adaptability of Islamic principles in facing contemporary challenges (Mirza et al., 2021).

The global Halal industry has shown tremendous growth in recent years. According to the State of the Global Islamic Economy Report 2022, published by DinarStandard, global Muslim consumer spending on Halal food and lifestyle reached \$2.02 trillion in 2021 and is projected to grow to \$2.8 trillion in 2025. This growth is not only limited to the food sector but also includes pharmaceuticals, cosmetics, fashion, and Halal tourism. In Indonesia, according to data from the Central Statistics Agency (BPS), exports of Indonesian Halal products reached \$21.57 billion in 2020, despite the COVID-19 pandemic. This figure shows the great potential of the Halal industry as an economic driver, not only in Muslim-majority countries but also globally. This phenomenon leads to the need for a deeper understanding of the concepts of 'Halal and Tayyib' in the context of the modern economy (Abas et al., 2019).

Along with the growth of the Halal industry, the world is also witnessing a significant increase in awareness of sustainable investments. The concept of Environmental, Social, and Governance (ESG) has become a major focus in the world of global investment. According to the Global Sustainable Investment Alliance report, global sustainable investment assets reached \$35.3 trillion at the start of 2020, an increase of 15% in the past two years. In Indonesia, the Financial Services Authority (OJK) reported that in 2021, total sustainable financial assets reached IDR 1,430 trillion, an increase of 21.2% from the previous year. This trend reflects a paradigm shift where investors not only consider financial returns but also the social and environmental impact of their investments. The integration of sustainability principles with the concept of 'Halal and Tayyib' is becoming increasingly relevant in the changing global investment landscape (Asutay & Yilmaz, 2021).

The evolution of the 'Halal and Tayyib' concept in the context of sustainable investment presents both opportunities and challenges for the global Halal industry. On the one hand, this broadening of interpretation paves the way for product and service innovation that not only meets sharia standards but also contributes positively to society and the environment. On the other hand, this demands a more comprehensive reformulation of Halal certification standards and criteria. According to a study conducted by Muhamad et al., (2020), consumer perceptions of Halal products are increasingly influenced by factors beyond mere Sharia compliance, including ethical and sustainability aspects.

The integration of the concept of 'Halal and Tayyib' with the principles of sustainable investment has profound implications for the Islamic finance industry. Sharia financial institutions are now required to not only ensure compliance with Sharia principles in their products and services but also consider the social and environmental impacts of investment activities. This is in line with *maqasid al-Shariah* or the main objectives of Sharia, which include the protection and maintenance of five important aspects of life: religion, soul, mind, lineage, and property. Laldin & Furqani, (2019) in their research emphasize the importance of aligning Islamic financial practices with these broader goals.

This development also has a significant impact on the behavior of Muslim investors. A study conducted by Fianto et al., (2020) shows that Muslim investors are increasingly considering non-financial factors in their investment decisions. They not only seek financial returns but also ensure that their investments are in line with ethical and social values. This phenomenon has encouraged the emergence of various Sharia investment products that also meet ESG criteria, such as green sukuk and sustainability-based Sharia mutual funds.

In the financial sector, the integration of the 'Halal and Tayyib' concept with the principles of sustainable investment has given birth to new innovations. One prominent example is the development of green sukuk. According to the Climate Bonds Initiative report, global green sukuk issuance reached \$4.3 billion in 2020, a significant increase from previous years. In Indonesia, the Ministry of Finance reported that the government had issued green sukuk worth \$3.5 billion from 2018 to 2021. This phenomenon shows how Sharia financial instruments can be used to finance environmentally friendly projects and contribute to climate change mitigation. Research conducted by Alam et al., (2022) shows that green sukuk not only offers a Sharia-compliant investment alternative but also has better resilience during financial crises

Although this development shows a positive trend, there are still several research gaps that need to be considered. First, there are still limited empirical studies that measure the concrete impact of integrating the 'Halal and Tayyib' concept with sustainable investment principles on company financial and non-financial performance. Second, there is no clear consensus regarding standards and metrics for measuring 'sustainability' in the context of the Halal industry. Third, there is a lack of research exploring potential conflicts or trade-offs between traditional Sharia compliance and modern sustainability criteria. Fourth, longitudinal studies examining the evolution of this concept and its impact on the global Halal industry in the long term are still limited. Finally, research on how to integrate this concept into Islamic financial education and financial literacy for Muslim consumers still needs to be further developed. According to Asutay & Aksak, (2023) filling these research gaps is important to ensure the sustainable and inclusive development of the global Halal industry.

Based on the background and identification of research gaps that have been described, this research aims to comprehensively analyze the evolution of the concept of 'Halal and Tayyib' in the context of sustainable investment and its implications for the global Halal industry. Through achieving these goals, this research is expected to make a significant contribution to academic literature and industrial practice, as well as bridge the gap between traditional Islamic principles and modern sustainable development demands in the context of the global Halal industry. As emphasized by Noordin et al., (2020), this kind of research is important to ensure that the Islamic finance industry remains relevant and contributes positively to the welfare of the Ummah and global society as a whole.

2. METHOD

This research adopts a qualitative approach with a literature study method to analyze the evolution of the concept of 'Halal and Tayyib' in the context of sustainable investment. This approach was chosen because it allows for in-depth exploration of the interpretation and development of the concept from various perspectives and sources. The literature study was carried out by collecting and analyzing data from various trusted literature sources, including reputable academic journals, textbooks, industry reports, and ulama fatwas that are relevant to the research topic.

Primary data sources include articles from Islamic finance, Sharia economics, and sustainable management journals published in the last five years. Meanwhile, secondary data sources include industry reports from leading institutions such as the

State of the Global Islamic Economy Report, and Global Sustainable Investment Alliance, and reports from national financial authorities such as the Indonesian Financial Services Authority (OJK). Fatwas from authoritative institutions such as the Indonesian Ulema Council (MUI) and the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) are also used as important references (Ahmed et al., nd).

Data analysis was carried out using content analysis and thematic analysis methods. Content analysis helps identify and categorize key concepts, trends, and patterns in the literature reviewed. Meanwhile, thematic analysis is used to identify, analyze, and report patterns (themes) that emerge in the data. This process involved repeated reading of the collected material, coding of relevant data, and development of emerging themes.

To ensure the validity and reliability of the research, triangulation of data sources was carried out by comparing information from various types of sources (for example, academic journals, industry reports, and ulama fatwas) (Hasan et al., 2020). This methodological approach is expected to provide a comprehensive and in-depth understanding of the evolution of the 'Halal and Tayyib' concept in the era of sustainable investment and its implications for the global Halal industry.

3. RESULT AND DISCUSSION

Evolution of the Concept of 'Halal and Tayyib'

The evolution of the concept of 'Halal and Tayyib' has undergone a significant transformation in the context of sustainable investment and the global halal industry. This concept, which is rooted in Islamic teachings, has now developed into a broader and more inclusive paradigm, encompassing not only religious aspects but also ethical, social, and environmental dimensions. This development reflects a shift in global society's understanding of responsible and sustainable business practices.

In the last decades, the concept of 'Halal and Tayyib' has undergone a significant expansion of its meaning. No longer limited to halal aspects of food and beverages, this concept now covers various economic sectors, including finance, cosmetics, pharmaceuticals, and tourism. According to research conducted by Alserhan et al., (2021), this evolution has opened up new opportunities for product and service innovation that are in line with Islamic principles while meeting global market demands.

One important aspect in the evolution of the 'Halal and Tayyib' concept is the integration of sustainability principles. The integration of sustainability principles into the 'Halal and Tayyib' concept is a very important development in the evolution of the halal industry. Tieman et al., (2020) research reveals a significant shift in Muslim consumer preferences, where aspects of sustainability and social ethics become important factors in their purchasing decisions. This indicates that Muslim consumers are increasingly aware of their responsibilities towards the environment and society, which is in line with Islamic teachings about maintaining the balance of nature and doing good to others.

This shift in preferences is putting positive pressure on companies to adopt more responsible business practices. This creates a synergy between market demands and Islamic principles, where the concept of 'Tayyib' (which means good, useful, and quality) becomes the basis for product innovation and sustainable business processes. For example, halal food companies now focus not only on halal raw materials, but also on sustainable agricultural practices, animal welfare, and reducing waste in their production chains. Furthermore, this integration also encourages companies to consider the social impact of their operations. This includes fair employment practices, empowerment of local communities, and positive contributions to social development.

Thus, the concept of 'Halal and Tayyib' evolved into a comprehensive framework that aligns Sharia compliance with corporate social responsibility (CSR) and environmental sustainability.

In the context of investment, the evolution of the concept of 'Halal and Tayyib' has given rise to a new approach known as sustainable Sharia investment. According to a study conducted by Boon et al., (2021), this approach combines Islamic finance principles with Environmental, Social, and Governance (ESG) criteria. This approach offers a comprehensive solution for investors who wish to align their religious beliefs with social and environmental responsibilities. Sustainable Sharia investment not only avoids activities prohibited in Islam (such as usury, gambling, and unethical industries) but also actively seeks investment opportunities that have a positive impact on society and the environment.

Technological developments have also played an important role in the evolution of the concept of 'Halal and Tayyib'. Research conducted by Ali et al., (2022) shows that the use of technologies such as blockchain and artificial intelligence has increased transparency and traceability in the halal supply chain, significantly increasing the transparency and traceability of products. The use of blockchain in the halal supply chain enables the recording of each stage of product production and distribution in a decentralized and immutable manner. This provides an unprecedented guarantee of authenticity, allowing consumers to trace the origins of their products from the source to their hands. This system effectively addresses the problem of counterfeiting halal certification and increases consumer confidence in the integrity of halal products. This not only increases consumer confidence but also facilitates the implementation of stricter and more comprehensive 'Halal and Tayyib' standards.

The implications of the evolution of the 'Halal and Tayyib' concept for the global halal industry are vast. According to a report compiled by Elasrag & Hussein, (2023), the global halal industry is projected to continue to grow significantly in the next decade. This growth is driven by increasing awareness of Muslim and non-Muslim consumers towards ethical, healthy, and sustainable products and services. The increasing awareness of Muslim and non-Muslim consumers towards ethical, healthy, and sustainable products and services reflects the convergence between Islamic values and the global trend towards more responsible lifestyles. This expands the potential market for halal products far beyond traditional Muslim communities, creating huge opportunities for industry growth.

However, the evolution of this concept also brings new challenges to the global halal industry. Research conducted by Kamaruddin et al., (2020) revealed that stricter implementation of 'Halal and Tayyib' standards could increase production and distribution costs. This can affect the competitiveness of halal products in the global market. Therefore, innovation and efficiency are needed in the production process and supply chain management to ensure the sustainability of the halal industry.

The opportunities arising from the evolution of the 'Halal and Tayyib' concept are also very promising. A study conducted by Mostafa & Aziz, (2020) shows that there is great potential for the development of innovative products and services that meet the 'Halal and Tayyib' criteria while responding to the global market's need for sustainability. This opens up opportunities for the development of new technologies, innovative business models, and cross-sector collaboration that can drive sustainable growth of the global halal industry.

In the context of regulation and standardization, the evolution of the concept of 'Halal and Tayyib' has led to the development of a more comprehensive framework. Research conducted by Zainul et al., (2021) shows that many countries have begun to develop halal standards that not only include religious aspects but also sustainability criteria and business ethics. This creates an opportunity for harmonization of global

halal standards which can facilitate international trade in halal products while ensuring the overall fulfillment of the principles of 'Halal and Tayyib'.

This development also has an impact on education and research in the fields of Islamic economics and business. According to a study conducted by Hashim et al., (2020), there is an urgent need to develop an educational curriculum that integrates the concept of 'Halal and Tayyib' with the principles of sustainability and global business ethics. This will prepare a new generation of professionals who are able to face challenges and take advantage of opportunities in the ever-growing halal industry.

The evolution of the 'Halal and Tayyib' concept in the era of sustainable investment has brought about a significant paradigm shift in the global halal industry. The integration of sustainability principles, business ethics, and technological innovation with traditional Islamic values has created a new foundation for the growth and development of this industry. While challenges remain, the emerging opportunities are very promising. With a holistic and collaborative approach, the global halal industry has the potential to not only meet the needs of Muslim consumers but also contribute significantly to global sustainable development.

'Halal and Tayyib' in the Context of Sustainable Investment

The concept of 'Halal and Tayyib' has undergone significant evolution in the context of sustainable investment, reflecting a paradigm shift in the global Islamic finance industry. The integration of sharia principles with sustainability criteria has given rise to an investment approach that not only complies with Islamic law but also contributes positively to the environment, society, and governance (ESG). According to research conducted by Noor et al., (2021), this integration has encouraged the growth of sustainable sharia investment products, such as green sukuk and ESG-based sharia investment funds.

This evolution not only broadens the scope of Islamic investing but also increases its appeal to global investors. A study conducted by Azmi et al., (2021) shows that Islamic banks that integrate ESG criteria in their operations tend to show better financial performance. This indicates that the concept of 'Halal and Tayyib' in investment is not only about Sharia compliance but also about long-term value creation.

This development has also encouraged product innovation in the Islamic finance industry. Research conducted by Hashim, Mohd, et al., (2020) revealed the emergence of technology-based sharia investment platforms that enable investors to easily access and manage investment portfolios that comply with 'Halal and Tayyib' principles and sustainability criteria. This innovation not only increases financial inclusivity but also encourages sharia financial literacy among investors.

Furthermore, the integration of the 'Halal and Tayyib' concept with sustainable investment has opened up new opportunities for the global halal industry. According to a report prepared by Rehman et al., (2023), there is great potential for the development of infrastructure and industrial projects that not only meet sharia standards but also contribute to the achievement of the Sustainable Development Goals (SDGs). This creates a synergy between sharia investment, economic development, and environmental sustainability. However, this evolution also brings new challenges in terms of regulation and standardization. Research conducted by Ahmed et al., (2022) revealed the need for a comprehensive regulatory framework to ensure that sustainable sharia investment products truly meet both sharia criteria and ESG standards. Harmonization of standards between various jurisdictions is crucial to facilitate cross-border investment flows and increase the credibility of the global Islamic finance industry.

The development of the 'Halal and Tayyib' concept in sustainable investment also has an impact on corporate governance practices. A study conducted by Aziz et al., (2021) shows that companies that adopt 'Halal and Tayyib' principles in their operations tend to have better governance practices. This not only increases investor confidence but also drives better long-term performance. The implications of this evolution are also visible in the development of human resources in the Islamic finance industry. According to research conducted by Sarea et al., (2020), there is an urgent need to develop professionals who not only understand sharia principles but also have expertise in ESG analysis and sustainability risk management. This encourages the development of education and training programs that integrate the concept of 'Halal and Tayyib' with the principles of sustainable investment.

Furthermore, the evolution of the concept of 'Halal and Tayyib' in the context of sustainable investment has encouraged broader cross-sector collaboration. A study conducted by Zainuddin et al., (2023) shows that there is potential for significant synergy between Islamic social finance, such as zakat and waqf, and sustainable investment. This integration can mobilize substantial resources to support sustainable development projects, especially in developing countries with significant Muslim populations. Finally, this development also has important implications for the positioning of the global halal industry in the international market. According to the analysis conducted by Tan et al., (2022), the adoption of 'Halal and Tayyib' principles integrated with sustainability criteria can increase the competitiveness of halal products and services in the global market. This not only expands the potential consumer base but also positions the halal industry as a key player in the global sustainable economy.

Thus, the evolution of the concept of 'Halal and Tayyib' in the context of sustainable investment has brought about a significant transformation in the landscape of Islamic finance and the global halal industry. The integration of Islamic values with sustainability principles not only creates new opportunities for growth and innovation but also strengthens the position of the halal industry in a global economy that increasingly emphasizes sustainability. Although challenges in terms of regulation, standardization, and capacity development remain, the long-term potential of this approach is very promising. By continuing to encourage innovation, collaboration, and expertise development, the global halal industry has the opportunity to not only meet the needs of Muslim consumers but also contribute significantly to global sustainable development.

Implications for the Global Halal Industry

The evolution of the 'Halal and Tayyib' concept in the era of sustainable investment has significant implications for the global halal industry. This paradigm shift not only expands the definition and scope of halal products and services but also changes the competitive and strategic landscape of the industry as a whole. According to research conducted by Tieman et al., (2022), the integration of sustainability principles with the halal concept has encouraged the development of more comprehensive certification standards. This not only increases consumer confidence but also opens up new opportunities for companies for product differentiation and global market penetration.

The first implication of this evolution is the increased complexity of halal supply chain management. A study conducted by Ali et al., (2021) shows that companies in the halal industry are now required to ensure not only halal products but also sustainability and ethics in their entire supply chain. This creates the need for a more sophisticated and integrated supply chain management system, which can track and verify compliance with 'Halal and Tayyib' standards and sustainability criteria from end to end.

Furthermore, this evolution also has an impact on product innovation strategies in the halal industry. Research conducted by Aoun et al., (2020) revealed that halal cosmetics companies, for example, are now not only focusing on halal raw materials but also on sustainability aspects, such as the use of environmentally friendly packaging and responsible production practices. This holistic approach not only increases the product's appeal to environmentally conscious Muslim consumers but also expands market share to non-Muslim consumers seeking ethical and sustainable products.

The third implication relates to shifts in marketing and branding practices. According to a study conducted by Wilson et al., (2021), companies in the global halal industry now need to adopt more sophisticated communication strategies to convey 'Halal and Tayyib' values and commitment to sustainability. This involves not only conveying messages about Sharia compliance but also broader narratives about positive contributions to society and the environment.

The evolution of this concept also has significant implications for market structure and competitive dynamics in the global halal industry. Research conducted by Rehman, Ur, Aslam, Ejaz, Iqbal, & Asad, (2023) shows that companies that are able to integrate 'Halal and Tayyib' principles with sustainability practices tend to have stronger competitive advantages. This is driving industry restructuring, where companies that are more adaptive and innovative in applying these concepts will lead the market, while others may face challenges to remain relevant.

The fifth implication relates to the development of human resources in the halal industry. A study conducted by Sarea et al., (2022) revealed that there is an urgent need to develop a workforce that not only understands sharia principles but also has expertise in sustainability management and ethical business practices. This encourages reforms in educational curricula and professional training in the halal sector, with an emphasis on the integration of Sharia knowledge, modern management skills, and understanding of global sustainability issues.

Furthermore, this evolution also has an impact on the regulatory and governance landscape of the global halal industry. According to the analysis conducted by Mostafa & Aziz, (2020), there is a need to develop a more comprehensive regulatory framework that not only covers halal aspects but also sustainability criteria and business ethics. This calls for closer collaboration between religious authorities, industry regulators, and other stakeholders to develop standards and guidelines that align with the evolution of the 'Halal and Tayyib' concept.

The seventh implication relates to investment and financing opportunities in the halal industry. Research conducted by Hassan et al., (2022) shows that the integration of the 'Halal and Tayyib' concept with sustainable investment principles has created new opportunities for the development of innovative financial instruments, such as green sukuk and ESG-based sharia investment funds. This not only expands financing sources for companies in the halal industry but also attracts the interest of global investors looking for ethical and sustainable investment options.

Finally, the evolution of the concept of 'Halal and Tayyib' in the era of sustainable investment also has important implications for the position of the halal industry in the global economy. According to a study conducted by Elasrag & Hussein, (2023), the global halal industry now has the potential to play a key role in the transition towards a more sustainable and inclusive economy. By combining Islamic principles with socially and environmentally responsible business practices, the halal industry can contribute significantly to achieving the Sustainable Development Goals (SDGs) and position itself as an ethical and sustainable business model at the global level.

Overall, the implications of the evolution of the concept of 'Halal and Tayyib' in the era of sustainable investment for the global halal industry are vast and profound. This shift is not only changing the way companies operate and innovate, but is also

transforming the competitive landscape, market structure, and industry position in the global economy. Although challenges in implementation and adaptation remain, the opportunities emerging from this evolution are very promising. With a strategic and collaborative approach, the global halal industry has the potential to not only meet the needs of Muslim consumers but also become a leader in the movement towards a more sustainable and ethical global economy.

Future Opportunities and Challenges

The evolution of the 'Halal and Tayyib' concept in the era of sustainable investment opens up various opportunities and challenges for the global halal industry in the future. This transformation not only expands the scope and definition of halal products and services but also changes the operational and strategic paradigm of the industry as a whole. According to research conducted by Tieman et al., (2020) one of the main opportunities that arises is the potential for convergence between halal food systems and other sustainable food systems. This opens up the possibility for cross-sector collaboration and the development of more universal standards, which can increase the competitiveness of halal products in the global market.

The second opportunity lies in technological development in the halal industry. A study conducted by Ali et al., (2022) shows that the integration of technologies such as artificial intelligence (AI) and blockchain in halal supply chains can significantly increase transparency and efficiency. The implementation of this technology not only ensures compliance with 'Halal and Tayyib' standards but also meets consumer demands for traceable and sustainable products.

However, along with these opportunities, the global halal industry also faces significant challenges. One of the main challenges is the harmonization of halal standards at the global level. Research conducted by Alzeer et al., (2020) revealed that differences in interpretation and implementation of halal standards between countries can hinder international trade in halal products. This harmonization becomes even more complex with the integration of sustainability criteria into the concept of 'Halal and Tayyib'.

The third opportunity that has emerged is in the field of product and service innovation. According to a study conducted by Mostafa & Aziz, (2020), the integration of the concept of 'Halal and Tayyib' with sustainability principles opens up space for the development of products and services that not only meet the needs of Muslim consumers but also appeal to a wider market that is looking for suitable options. ethical and sustainable. This could include developing halal functional food products, halal cosmetics made from natural ingredients, or even halal tourism services that emphasize ecotourism.

The second challenge relates to the development of competent human resources in understanding and implementing the 'Halal and Tayyib' concept which is integrated with sustainability principles. Research conducted by Sarea et al., (2020) shows that there is a skills gap in the industry, especially in terms of integrating sharia knowledge with modern business practices and sustainability management. Addressing this gap will require significant investment in education and training.

The fourth opportunity lies in the development of sustainable Islamic financial instruments. A study conducted by Hassan et al., (2022) revealed great potential for the development of Islamic financial products that also meet sustainable investment criteria, such as green sukuk or ESG-based Islamic investment funds. The development of this instrument can not only attract Muslim investors but also global investors who are looking for ethical and sustainable investment options.

The third challenge relates to adapting to changes in global regulations related to sustainability. According to an analysis conducted by Elasrag & Hussein, (2023), the

global halal industry needs to adapt quickly to regulatory changes related to carbon emissions, plastic use, and other sustainable business practices. This adaptation may require significant investments in new technologies and changes to production processes, which can be challenging for small and medium-sized companies in the industry.

A fifth opportunity arises in the context of a circular economy. Research conducted by Saad et al., (2023) shows that the principles of a circular economy are closely aligned with the concept of 'Halal and Tayyib'. The integration of circular economy approaches in the halal industry can open up new opportunities for innovation, resource efficiency, and waste reduction while increasing the competitiveness of halal products in a global market that increasingly emphasizes sustainability.

The fourth challenge relates to consumer perception and awareness. A study conducted by Azizan et al., (2022) revealed that although there is increasing awareness of halal and sustainable products, there is still a gap in consumers' understanding of the integration of these two concepts. Overcoming this gap will require consistent educational efforts and effective communication strategies from halal industry players.

The sixth opportunity lies in international collaboration and technology transfer. According to research conducted by Rashid et al., (2023) Muslim countries that have expertise in halal standards can collaborate with developed countries that have advanced sustainable technologies. This kind of collaboration can accelerate the adoption of sustainable practices in the global halal industry and increase the competitiveness of halal products in international markets.

The fifth and final challenge relates to the resilience of the halal industry to external shocks. The COVID-19 pandemic has exposed the vulnerability of global supply chains, including in the halal industry. A study conducted by Khan et al., (2022) revealed the need for stronger resilience strategies in the halal industry, including diversification of supply chains and adoption of digital technology. Overcoming these challenges will be crucial to ensuring the long-term sustainability of the global halal industry.

In conclusion, the evolution of the 'Halal and Tayyib' concept in the era of sustainable investment opens up a wide spectrum of opportunities for the global halal industry, from product innovation to the development of new financial instruments. However, the challenges faced are also significant, including the need for harmonization of standards, human resource development, and adaptation to global regulatory changes. The halal industry's success in navigating these opportunities and challenges will depend largely on its ability to innovate, adapt, and collaborate on a global scale. With a strategic and holistic approach, the halal industry has the potential to not only maintain its relevance but also become a leader in the transition to a more sustainable and ethical global economy.

4. CONCLUSION

The evolution of the 'Halal and Tayyib' concept in the era of sustainable investment has brought a fundamental transformation to the global halal industry, creating a new paradigm that combines traditional Islamic values with modern sustainability demands. This shift not only expands the definition and scope of halal products and services but also changes the competitive and strategic landscape of the industry as a whole. The integration of Sharia principles with Environmental, Social, and Governance (ESG) criteria has given rise to innovative approaches in investment and product development, opening up new opportunities for growth and global market expansion.

However, this transformation also brings significant challenges, especially in terms of standard harmonization, human resource development, and adaptation to increasingly stringent global regulations. The halal industry is now required to not only ensure Sharia compliance but also demonstrate a commitment to socially and environmentally responsible business practices. This drives innovation in various sectors, from supply chain management to the development of new financial instruments such as green sukuk.

The opportunities emerging from this evolution are very promising, including the potential to lead the transition to a more sustainable and ethical global economy. By adopting advanced technologies such as artificial intelligence and blockchain, the halal industry can increase transparency, efficiency, and consumer trust. International collaboration and technology transfer also pave the way for synergies between expertise in halal standards and advanced sustainable technologies.

The halal industry's success in navigating these changes will depend on its ability to innovate, adapt, and collaborate on a global scale. With a strategic and holistic approach, the halal industry has the potential to not only maintain its relevance but also become an ethical and sustainable business model at the global level. The evolution of the concept of 'Halal and Tayyib' in the era of sustainable investment is not only about meeting religious standards but also about contributing positively to society and the environment, in line with Islamic principles and the demands of the modern world.

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