

THE ROLE SHARIA PEER TO PEER LANDING SUPPORTS HALAL INDUSTRY

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ABSTRACT

The development of the Sharia financial industry is growing, and the types of products offered are increasingly varied and become people's choices, like present Sharia fintech. The Sharia financial industry is growing the halal industry too and gaining global recognition. Halal industry encouraged grow through access capital, and other support Islamic financial institutions. The role Sharia fintech can work to develop halal industry. Research purposes is to determine development the growth sharia fintech, and development halal industry. As well as outlining form of role sharia fintech supporting halal industry. Research methods are qualitative methods with library research. Secondary data sources are used, including the Financial Services Authority (OJK), National Committee Sharia Economics and Finance (KNEKS), LPPOM MUI, and other sources. The data collection technique used library-relevant sources and research theme. The analytical technique used is descriptive qualitative, describing the development, sharia fintech, the halal industry, and the role of sharia fintech in the halal industry. Sharia fintech Peer to Peer Landing (P2P) assets fell -12 percent, and players fell 12 percent. Certified halal products 2021 grew 2,531.49 percent. Spending on halal industry food sector is 77.23 total other halal industries. The role of Sharia fintech is to support the halal industry; funding business development is provided. The role sharia fintech synergize in assisting and marketing products for industry to get financing. Sharia fintech can synergize with assistance and product marketing for the halal industry to obtain financing. The role of sharia fintech in supporting the real sector, especially for the halal industry business with the service excellence it has.

Keywords: Sharia Fintech; Peer to Peer Landing (P2P); Halal Industry

INTRODUCTION

The main focus of trading activities is to seek profit. In the Islamic concept, seeking profit is not only limited to material gains, but also non-material benefits that are beneficial for the benefit of the life of the world and the hereafter. In the global arena, halal *lifestyle* and halal ecosystem are developing rapidly. Every country, both countries with a majority of Muslims and non-Muslims, are actively taking part in this industry. Indonesia is very advantaged in terms of population where the majority are followers of Islam and is expected to continue to grow in the future. This population increase increases the demand for halal goods and services. The halal ecosystem has been very easy to form in the territory of Indonesia. A Muslim consumer requires that everything they consume must be halal according to Islamic law. In terms of food, it is very easy and many food products already have a halal label. Consumption of the use of goods and services with halal certainty will continue to increase, so that opportunities in the global market are still very large. (Diantanti.dkk. 2021)

Currently, the demand for halal products globally continues to increase. For the Southeast Asian market, exports of halal products reached 100 million dollars in 2007. This number has increased by 100 percent compared to the previous year which was only 50 million dollars. Meanwhile, in the European Union, although the Muslim population is a minority and the number is small, the growth is large due to high purchasing power, such as in France and

the Netherlands. For example, Muslims in France spend 30 percent of their income on halal food. The quantity of meat consumption is around 400 thousand metric tons a year. Meanwhile, in the Netherlands, halal food is not only consumed by Muslims but also non-Muslims, so that the total market demand is able to reach 2.8 billion dollars per year. The Philippines has also responded to the increasing demand for halal-certified products by encouraging companies to certify their products. Now there are around 50 companies that have obtained halal certification issued by the Filifina Islamic Da'wah Council (IDCP). A number of major world producers are also interested in investing in halal products in Malaysia, including Nestle. The growth rate of sales growth of halal/sharia products and services is quite high in each sector, which is supported by the growth of consumers from the Muslim population and non-Muslim consumers who believe in the quality of halal/sharia products and services. (Sofyan, 2011)

Making Indonesia the center of the world's halal industry is not impossible, even Indonesia has a very big opportunity to get it, namely through halal certification instruments supported by the JPH Law. Several indicators have been fulfilled that Indonesia has a very large Muslim population of around 260 million people or about 87% of the total population of Indonesia. This amount will be a lucrative market share. In addition, the consumption level of the Indonesian people is very high, even the highest in the world. So there is no market that has the most potential beyond Indonesia. Next, it's just how the Indonesian people manage it. To develop the potential of the halal business in Indonesia, several strategies are needed as an effort to accelerate optimization, including; 1). There must be a maximum role and government intervention. 2). Law Number 33/2014 concerning Halal Product Guarantee (UU JPH) must be a tool that can engineer change. 3). There is a strong development of human resources and halal industry. 4). Making halal certification as part of excellent service. (Warto & Samsuri, 2020)

Indonesia has tremendous potential to develop the halal industry. These potentials include the abundant Muslim population that is projected to reach 256 million people by 2050, the growth of various halal industrial sectors, especially the finance, tourism and fashion sectors, the recognition of Indonesia's achievements in the eyes of the world, Indonesia's geographical conditions and demographic bonuses, technological developments. , as well as the ratification of the Halal Product Guarantee Act number 33 of 2014. This potential can encourage economic growth through increasing the value of exports and foreign exchange reserves. But on the other hand, Indonesia also has challenges in developing this halal industry. The challenges facing Indonesia come from external and internal sources. From an external point of view, the challenges faced by Indonesia are the number of competing countries, the absence of an internationally valid halal certificate. Meanwhile, from an internal point of view, the challenges faced by Indonesia are the lack of halal awareness among the Indonesian people, the problems in the implementation of the Halal Product Guarantee Act and the low awareness of the Indonesian people to compete. (Fathoni, 2020)

The halal economy has become a very crucial issue in the context of the development of the global Sharia economy. Halal economy is a holistic and integral concept with Sharia values. The biggest problem is that there is no integrated system between the halal industry and Islamic financial institutions in Indonesia. An alternative strategy related to strategic partnerships between the Islamic finance industry and the halal industry in Indonesia is to strengthen regulations and policies. Building a halal *lifestyle strategy* and strengthening human resource capacity in the financial sector and the sharia industry in general. aspects of the priority strategy for the criteria for the strategic partnership of Islamic finance and the halal industry where regulatory and policy criteria rank first and foremost. (Amali and Nurhidayah, 2020)

Technological developments also have great potential for business expansion and network expansion for Islamic finance. Financial technology (Fintech) can bridge SMEs and people who previously did not have access to finance, so that they can be more easily integrated

with financial products and systems. In addition, the amount of investment in financial assets can also be increased through Fintech. In recent years, the development of Fintech in Indonesia has experienced positive growth. The latest report notes that Fintech products have the potential to attract 150 million customers in the Islamic banking sector by 2021. As a country with the largest Muslim market in the world where 85 percent of the population is Muslim, and the largest population of internet users with more than 140 million in 2017, Indonesia is very promising for the development of the Fintech market. Through the participation of Islamic finance in the halal industry and integration with Fintech, it is expected to increase the growth of Islamic finance while providing a broad impact on the distribution of public welfare. (Silalahi, 2018)

The increasing number of emerging digital-based financial services is a threat for financial institutions to be able to seize the market by presenting digital services that provide easy and efficient financial access. Without exception, Islamic banks can provide access to financing for the public with digital technology-based services, so that they can be accessed easily, the process provided is faster. Business competition cannot be avoided so that the adjustment process must be carried out by Islamic banks, presenting technology on the side of collecting funds and distributing funds with digital services. To be more efficient and cheaper, you can collaborate with other parties such as sharia fintech institutions that first carry out funding and financing with digital services. In the process, Islamic banks do not neglect security and prudence in their transactions.

Strategic efforts are needed in developing halal MSMEs which have been eroded by the COVID-19 outbreak. If Islamic banks are one of the institutions that can contribute to developing MSMEs. It's just that in the current conditions Islamic banks are also being eroded due to the Covid-19 outbreak. Moreover, Islamic banks have not optimized the distribution of financing for productive activities for MSMEs. Other institutions are needed that can help and contribute in developing MSMEs in the midst of the COVID-19 outbreak. One of the institutions that can contribute to the development of MSMEs is sharia fintech. Fintech institutions carry out many of their activities by conducting transactions indirectly to meet or through online. Fintech can obtain public funds and channel financing to the business sector without meeting in person, but by utilizing technological advances. This is in line with current conditions, in the midst of the COVID-19 outbreak, with the ease of social distancing, it is right for fintechs to still be able to carry out activities without meeting in person. Currently, sharia fintech companies have emerged, with various product variations such as *peer to peer landing*. (Trimulato, 2020)

The halal industry will continue to experience growth both nationally and globally. The halal industry is a necessity for many countries to improve their economy. Thus the development of the real sector of the halal industry requires support to be able to grow through financial access from Islamic financial institutions. including through financial institutions that are currently trending and developing, namely sharia fintech. The ease of financial access without being limited by time and place for Islamic fintech has the potential to take a role in supporting the development of the halal industry. Halal industry players need financial stimulants that are easy and flexible in their development, which can take that position is sharia fintech. Funds collected from lenders or investors through sharia fintech application services can be channeled into productive activities for halal industry players. So that these funds can turn out well, so that investors benefit from the funds invested and halal industry players can develop their businesses better. Sharia fintech can synergize in improving the halal industry as the main function of the financial sector in Islam, namely Islamic finance which will encourage the development of the real sector.

From this description, the author is interested in conducting a more in-depth study related to the form of the role of sharia fintech in supporting the development of the halal

industry. The purpose of this paper is to find out the development of sharia banking, the development of sharia fintech, as well as the development of the halal industry in Indonesia. It also aims to analyze and describe the form of the role of sharia fintech in supporting the development of the halal industry.

The halal industry is often associated with an attempt to produce a product (goods and services) in accordance with the provisions of the Islamic religion (sharia). This definition began to emerge recently due to the high demand for halal products and services in the world. Previously, it was known that the halal industry was associated with the halal economy, where the mention of the halal economy was much earlier known than the halal industry. Thomson Reuters in collaboration with DinarStandard contained in the 2019 edition of the State of the Global Islamic Economy Report stated that the halal economy consists of sectors whose main products and services are structurally influenced by Islamic law, driven by values, consumer lifestyles, and business practices. The definition of halal industry in language consists of two words, namely industry and halal. According to the Big Indonesian Dictionary (KBBI) it is stated that industry is the activity of processing or processing goods using facilities and equipment, such as machines. While halal means permitted (not prohibited by sharia), so the halal industry is defined as the activity of processing or processing goods using facilities and equipment permitted by Islamic sharia. In its implementation, the halal industry, among others, has been regulated in Law no. 33 of 2014 concerning Guaranteed Halal Products. (Sukoso, et al. 2020)

Halal Products are products that have been declared halal in accordance with Islamic law. Halal Product Processing, hereinafter abbreviated as PPH, is a series of activities to ensure the Halalness of Products including the supply of materials, processing, storage, packaging, distribution, sales, and presentation of Products. Halal Product Guarantee, hereinafter abbreviated as JPH, is a legal certainty regarding the halalness of a Product as evidenced by a Halal Certificate. Halal label is a sign of halalness of a product. Halal Certificate is an acknowledgment of the halalness of a Product issued by BPJPH based on a written halal fatwa issued by MUI. (Law Number 33, 2014)

There are four main industries that can be developed optimally by Indonesia as a country with the largest Muslim population in the world, namely the halal tourism industry, the halal food industry, the halal fashion industry and the halal finance industry. Mapping and identification of the potential of each type of industry is very important as the first step in developing the halal industry. What is very important to do is to create an ecosystem that is able to develop the four halal industries at the same time by ensuring the optimization of the performance of halal value chain management so that the quality and standards of the products and services produced are very important in addition to prioritizing halal. In the mapping process, it is known that each halal industry has potential that can be improved so that it has added *value* while maintaining Indonesian culture. There are five strategic steps that need to be taken, namely increasing competitiveness, certification, coordination, publication and cooperation. For this reason, it is necessary to involve and coordinate the government, policy makers and industry players across sectors in building the halal industry in Indonesia, as well as the active role of the community as agents for promoting sharia products in the digital world so that the development of the halal industry can enter the global market immediately. (Saputri, 2020)

Fintech is short for *financial technology* (financial technology). Fintech is a popular term in recent years. When someone hears the term *fintech*, what comes to mind is all the convenience and speed of financial transactions, such as the ease and speed of payments, borrowing, sending, and so on. With fintech, it is hoped that it can save time, thoughts, energy, and costs. In essence, fintech is a technology-based financial service. Payment of electricity bills, vehicle installments, or insurance premiums online are some examples of *fintech products*

that are often used in daily life, as well as sending money or checking balances through online banking. (Fahlefi, 2018)

Islamic finance is a financial system whose implementation is based on Islamic law (sharia). The establishment of this system is based on the prohibition in Islam to lend or collect loans by charging interest on loans (riba), as well as the prohibition to invest in businesses categorized as forbidden (haram), which cannot be guaranteed by the conventional system. Fintech is a *software-based business* and modern technology that provides financial services. Fintech companies are generally start-up companies that provide financial services and solutions to customers such as mobile payments, money transfers, loans, fundraising, and even asset management. Fintech Syariah means financial services and solutions provided by technology companies/fintech startups, which are based on Islamic/sharia laws. (Fintech, 2017)

Information Technology-Based Financing Services Based on Sharia Principles is the provision of financial services based on sharia principles that bring together or connect financiers with financiers in order to perform financing contracts through an electronic system using the internet network. Electronic System is a series of electronic devices and procedures that function to prepare, collect, process, analyze, store, display, announce, transmit, and/or disseminate electronic information in the field of financial services. Information Technology is a technique for collecting, preparing, storing, processing, announcing, analyzing, and/or disseminating information in the field of financial services. A financier is a party who has funds and intends to provide financing to assist parties who need funds. Recipient of Financing is the party that uses funds sourced from the Financing Provider. (DSN-MUI, 2018)

Opportunities to synergize between Islamic Banks and Sharia Fintech in order to develop MSMEs in Indonesia are very wide open. This is motivated by the gapor gapor capital support from Islamic banks for MSME actors. The pattern or model of synergy between Islamic Banks and Sharia Fintech that can be done through several cooperation schemes, namely *cross-selling* schemes, *channeling* schemes, joint financing schemes. together Sharia Banking and Sharia Fintech form a Fintech consortium. The benefits of establishing a synergy between Islamic Banks and Fintech in the context of developing MSMEs are that people increasingly have alternative choices in investing or obtaining financing sources that are in accordance with Sharia principles; implementation of MSME empowerment through the provision of training and assistance in the context of increasing MSME productivity and competitiveness through the participation of Syariah Banks and Syariah Fintech; provide opportunities for the creation of innovative new products for the development of MSMEs in Indonesia; stimulate and facilitate practical, convenient and safe financial services as well as improve financial education, especially for areas that have so far been limited to financial services; as well as encouraging financing in the MSME segment, so that both Islamic Banks and Syariah Fintech can increase the market share of MSME financing, which as a whole can increase the portion of financing to MSMEs. The challenge of synergy between Islamic Banks and Fintech in increasing the development of MSMEs is the need for regulatory support for policy relaxation in developing synergies between Islamic Banks and Sharia Fintech; availability of human resources who have competence in the field of Sharia Fintech. (Harris, 2020)

The role of sharia fintech in financial inclusion in MSMEs in Pekalongan, Batang and Pemalang Regencies. It can be seen that many SME owners use applications and collaborate with banks and Savings and Loans Cooperatives so as to provide easy access to various types of bank savings and loan cooperative financial services, now financial institutions are able to reach all SMEs to remote areas. Sharia fintech has opened access to business financing that is easier and faster than banking institutions and savings and loan cooperatives. The role of Islamic fintech in financial inclusion in SMEs is that Islamic fintech has contributed a lot to the empowerment of SMEs and the local economy. This is done so that the credibility or public trust in the sustainability of the Sharia Fintech business can be increased and it is recommended

for Regulators to be able to make rules or policies that are specifically aimed at encouraging the realization of synergy between Sharia Banks and Sharia Fintech. (Winarto, 2020)

The fintech companies reviewed have promoted the idea of financial inclusion, for example, financing underdeveloped sectors such as agriculture and small and micro enterprises (SMEs). In addition, selected fintech companies were also found to collect and distribute Islamic social funds such as infaq (charity spending), waqf (waqf) and alms (voluntary charity). In addition, the company was also found to start a charity program for the underprivileged. To some extent, these findings are identical to the company's efforts to promote the SDGs to end poverty (SDG 1) and hunger (SDG 2) and reduce inequality (SDG 10). (Hudaefi, 2020)

RESEARCH METHODS

The type of research used in this research is qualitative. With a library research approach, with various sources related to the development of sharia fintech, the development of the halal industry, as well as the form of the role of sharia fintech in supporting sharia fintech.

The source of data used in this study is secondary, namely data that has been presented by a particular institution and then processed the data. Sources of data used in this study are from the Financial Services Authority (OJK), and the National Committee for Islamic Economy and Finance (KNEKS) and LPPOM MUI. And from several other sources.

The data collection technique used in this research is literature from several sources that are considered relevant to the research theme. Namely about sharia fintech, and the halal industry. From several good sources from books, journals, and others.

The analytical technique used in this study is a qualitative descriptive analysis technique, namely analyzing, describing, and describing the conditions of the research object. In this case, it describes the development of sharia banking, the development of sharia fintech, the development of the halal industry, and an analysis of the role of sharia fintech in supporting the development of the halal industry.

RESULTS AND DISCUSSION

Peer to Peer Lending Development

Table 1.

Development of Fintech Peer to Peer Lending (P2P) Sharia				
No	Indicator	March 2021	March 2022	Growth (%)
1	Total Fintech Assets	4,143,509,985,017	4,524,846,285,048	9.20
2	Total Fintech Players	147	102	-30.61
3	Sharia Fintech Assets	103.430.531.003	91.018377931	-12
4	Sharia Fintech Actors	8	7	-12.5

Source: Financial Services Authority. *Fintech Lending Statistics*

The data above shows the development of peer to peer (P2P) fintech in the period March 2021 to March 2022, the total P2P Fintech assets grew by 9.20 percent as a whole. Fintech players experienced a decline of -30.61 percent. The total number of Peer to Peer (P2P) fintech players in March 2022 102 and only 7 P2P sharia fintech players, or decreased by -12.5 percent. Including sharia fintech assets decreased by -0.12 percent. P2P sharia fintech players experienced a decline because they could not meet the conditions required by the OJK. However, Islamic fintech still has great potential in the development of the real sector. Sharia fintech can support the growth of the real sector, including for business actors in the halal

industry. Sharia P2P fintech has two-way opportunities for investors, and access to funding for business actors according to sharia principles. The existence of sharia fintech is not yet familiar to the public so it requires greater socialization, access to fintech technology can be accessed anytime and anywhere. Several Islamic P2P fintechs focus on providing financing for the real sector of MSMEs. Plus now there has been a fintech crowdfunding that supports the real sector.

Based on data from the Financial Services Authority issued data related to Islamic Fintech institutions of the Peer To Peer Landing type which are licensed, there are 7 institutions. That is; PT. Investree Radhika Jaya (conventional and sharia), PT. Ammana Fintek Syariah, PT. Alami Sharia Fintech, PT. Dana Syariah Indonesia, PT Duha Madani Syariah, PT. Qazwa Mitra Amanah, PT. Mighty Alphabet Toolkit. And PT Ethis Fintek Indonesia

If all institutions are integrated in carrying out their respective roles in the same direction, the Islamic finance ecosystem will form a strong halal industry community. Finally, it is recommended that all parties, including financial institutions, professional institutions, social institutions and government institutions, have the same vision in developing the halal industry. Therefore, it is necessary to develop a verified roadmap in designing strategies to guide these institutions. If the halal industry ecosystem is developed in a measurable and targeted manner, then the halal industry can become a source of national competitive advantage. (Utomo et al., 2020) Sharia fintech is here as a solution to the problems of society that have not been served and fulfilled by Islamic banking. The development of the fintech industry, which emphasizes the elements of speed and convenience in the financial sector, is closely related to the development of technology and internet networks. Likewise, the close relationship between Islamic fintech and the halal industry, namely a complementary relationship and mutualism between the two. In simple terms, the mechanism for the relationship between sharia fintech and the halal industry can be described in the sentence, "Sharia finance is a halal lifestyle amplifier, especially for those who need financial services". As well as being part of the halal industry, the sharia fintech industry also has principles regarding operations that must meet the muamalah contract and business schemes in the Islamic economy. (Yudha, et. 2021)

The advantages that are obtained when using sharia fintech services are that the recipient of the loan or financing does not need to meet face-to-face and financial needs are more easily fulfilled and like Muslims, namely carrying out financial activities based on Islamic sharia. (Wahyuni, 2019) The FinTech era is an unavoidable necessity, the Islamic economy needs to answer the challenges of FinTech by issuing products or policies that are in line with FinTech developments and do not conflict with sharia principles. as an effective facility to expand market access for Islamic banking. The role and function of Islamic banks is more than just a relationship between debtors and creditors, but there is a partnership relationship between shohibul maal and mudharib which has an impact on the welfare of both parties. (Subagiyo, 2019)

Halal Industry Development

Table 2.
Development of the Number of LPPOM Halal Certification Products in 2021

No	Component	2015	September 2021	Growth (%)
1	Number of Companies	1052	16,856	1502.28
2	Total Sh (Halal Certificate)	1404	40,732	2801.14
3	Number of Products	46260	1,217,328	2531.49

Source: LPPOM MUI. Statistics of MUI Halal Certified Products for the Period 2015 to 2021

From the data above, it shows that there is a development in the number of halal certification products issued by LPPOM from 2015 to September 2021, all of which have a very significant increase. The number of companies that gave business labels to their products grew by 1,502.28 percent, then the number of halal certificates grew by 2,801.14 percent, and the number of products that had obtained halal certification grew by 2,531.49. Thus, the development of the goods and services industry will continue to grow, which obtains the MUI halal certificate, to increase public access to halal products.

Table 3.
Total Shopping for Halal Products in the World 2018

No	Halal Industry Sector	Value (USD, Billion)	Portion
1	Halal Food	173	77.23
2	Halal Travel	11	4.91
3	Halal Fashion	21	9.38
4	Media and Recreation	10	4.47
5	Halal Pharmacy	5	2.23
6	Halal Cosmetics	4	1.78
7	Amount	224	100

Source: Thomson Reuters in Halal Ecosystem, 2020 Bank Indonesia

The data shows that there is a portion of each halal product spent globally in the world in 2018. The largest sector in shopping for halal products, namely the halal food and beverage sector, takes the largest portion, which is 77.23 percent, then the halal fashion sector at 9.38 percent. , and 4.91 percent halal travel. From this condition, various halal sectors still have great opportunities and potential to be developed globally, with various supports from various parties so that the halal industry can develop and compete in the global arena. As the country of Indonesia as the world's largest Muslim, everything requires halal legality so that it can be used and consumed safely, comfortably, and quietly. The potential for halal products to be accepted in the global realm can continue to grow with support from the government and other industries to be able to support it, including its development which requires a large amount of capital. In this position the Islamic finance industry as an institution that can support the development of the real sector, including the halal industry sector, and MSMEs. This is an opportunity for Islamic banks and Islamic finance to be able to increase their productive portion, not just increasing consumption.

Halal certification by MUI plays an important role because it is defined as the inspection of certain product processes and meets the hygienic, sanitary and safety requirements. Products that are certified Halal by the board may use the registered trademark halal logo. Currently, halal certification is voluntary but in 2019 it will be mandatory. By having a halal certificate, the product will have many competitive advantages. Today, a halal certificate is a guarantee that a particular product has been thoroughly investigated and declared compliant with Islamic sharia law. Hence convincing Muslims to consume the product. (BAPPENAS, 2018)

Indonesia is seen as not optimal in pursuing the integrity of halal products along the supply chain. Whereas ideally, the government's role in ensuring the integrity of the halal industry supply chain is really needed. So far, the government's role is seen as not yet comprehensive in covering supply chain activities, starting from planning, developing, implementing, regulating, promoting, and educating producers and consumers of the halal industry. In addition, the government's role does not include the establishment of institutions, collaboration between public institutions, and training of professional auditors to ensure the integrity of the reliable halal industry supply chain. This condition reflects that the supply chain

concept has not been widely understood as a very important variable for the development of the halal industry. Ideally, the integrity of halal industrial products should be protected by all means and all necessary steps and should be taken by all parties involved in the supply chain. One way for the sharia ecosystem in Indonesia to develop rapidly is to improve the halal ecosystem (*halal value chain*) through strengthening regulations. contribution to the importance of the concept of institutional strengthening as an integral part of strengthening the supply chain integrity of the halal industry. The supply chain has a dominant role in strengthening regional competitiveness, particularly for poverty alleviation, inequality reduction, and employment. Institutional strengthening is aimed at minimizing the challenges of developing the domestic halal industry, in order to strengthen regional competitiveness for quality development models. The most in-depth discussion lies in the factors that can improve the integrity of the halal industry supply chain. (Nasution, 2020)

If Islamic banking has a major role in the halal industry in Indonesia, not only Islamic banking will progress, but also the Indonesian economy as a whole will also advance. There are four major sectors which are great opportunities in developing the halal industry, namely, the food industry, the pharmaceutical industry, the fashion industry and the tourism industry. Islamic banking can have a role in developing the four sectors, including cooperation with companies that will issue products with halal labeling to financially use Islamic banking. (Handayani, 2017) On the other hand, the increasing Muslim middle class in Indonesia, makes the halal industry will continue to grow in the future. The growing middle class is a sign that the consumption ability is also increasing. On the other hand, the development of information technology is one of the triggers for increasing public awareness of halal products in Indonesia. The link between Indonesia's economy which is dominated by consumption, the increasing middle class and increasing public awareness of the existence of halal products is a great opportunity for iB. (LPPI, 2019) Halal is a universal indicator to improve the quality of living standards. The halal industry is a necessity so that it can participate in promoting sustainable economic growth. Therefore, the halal industry must be fought for and maintained for its existence. (Sungawaningrum, 2019) The development of the halal industry is growing rapidly. However, in its development, these industries are often constrained by the funds and sources of capital needed by the company. Several products from the Islamic capital market that can be selected and used by the halal industry in obtaining funding are through IPO, sukuk, and ECF. It is hoped that this research can be useful for the development of the halal industry through the Islamic capital market in the future. (Melisa & Khikmawati, 2021)

Sharia Peer To Peer (P2P) to Support Halal Industry

The role of the government regarding the improvement of the halal industrial sector is not only focused on the results of decisions or laws, there are steps and strategies that can be taken early, namely by linking the industries and business actors so that they can develop this halal industry. This role is inseparable from the role of the Islamic financial services industry, namely Islamic banking. The role of Islamic banking is very important because Islamic banking directly contributes to the Islamic financial market which requires its industry and operations to be halal and sharia-compliant. In addition, Islamic banking also has a direct relationship with its partners, namely customers where the customer is a business actor or entrepreneur who is engaged directly in the real sector with various businesses being run. This is a very good situation and very helpful in the development of the halal industry. The direct contribution that can be played by sharia banking is by giving instructions to its customers to be able to get halal certification from a halal institution, for example if there are customers who are applying for financing to Islamic banks, the customer can register their business with the Indonesian Ulema Council certification agency (Indonesian Ulema Council). MUI). This is of course a policy that can be viewed from two sides, namely the positive side and the negative side. When viewed

from the positive side, it can certainly increase the number of businesses registered with halal institutions, if viewed from the negative side it can be burdensome for customers. (Rahmayati, 2018)

Islamic banking and fintech have the potential to be exploited by opportunities in the financial industry. With internal banking capital and fintech capital as adequate financial services in terms of strength, namely the existence of other institutional controls such as DPS, human resource control, human resources that uphold management policies, a fairer system, and a strong capital structure for products. development. So that technological advancement opportunities in the industrial era 4.0 can be optimized with the right strategy to support the expected business growth. The collaboration model of sharia banking and fintech is analyzed using ANP. Islamic banks and fintech synergize to improve business Islamic finance. (Swastiratu et al., 2019)

Fintech's position as a media has provided adequate space to raise the literacy index and financial inclusion index for Indonesians. The fatwa only provides general rules for financial technology based on sharia principles; agreement structure, terms and conditions, and form of agreement. (Amalia & Rahmatullah, 2020)

The form of the role of sharia fintech in supporting the development of the halal industry, by supporting funding from capital. Sharia fintech can synergize in the form of partnerships in the development of the halal industry. Halal industry business actors can improve quality and quantity by gaining access to financing from sharia fintech. In addition to obtaining additional capital, the industry can obtain business development assistance. Sharia fintech collaboration, business actors can partner using musyarakah, to finance the halal industry more transparently. All business actors who obtain financing can be assisted in obtaining halal certificates. The collaboration between the two can be carried out with the support of policies and regulations to be able to synergize with each other. Business actors who cannot access sharia financial institutions can be transferred to sharia fintech institutions to obtain business funding with the right scheme, they can use profit sharing or other schemes. Likewise, if Islamic fintech obtains a large business funding application, it can synergize with Islamic financial institutions. Sharia fintech has access to finance that is more flexible and easier when compared to others. For example, Islamic banks have more funds than limited fintech. Fintech can participate in marketing halal products that it has financed, through its application services, fintech can promote halal products it finances, and participate in certain activities. Sharia fintech has a role and has the potential to develop and finance the productive sector of the halal industry. Currently, the financial sector and the halal industry are experiencing good growth, so they can strengthen each other. Sharia fintech earns income from the halal industry, as well as the halal industry will develop with the help of capital from Islamic financial institutions. In addition to using musyarakah partnerships, Islamic banks and fintech also use mudharabah contracts and other contracts to support the halal industrial sector. Including the use of fintech payment instruments may require the industry to use Islamic bank accounts. The role of sharia fintech with technological service excellence will develop along with the development of the halal industry which requires easy and flexible access to finance and capital.

CONCLUSION

The development of Islamic fintech assets decreased by -0.12 percent, and players experienced a decline of -12.5 percent. Due to the deactivated Peer to Peer (P2P) sharia fintech players. And the development of certified halal products in 2021 will grow by 2531.49 percent. Globally, the largest food sector halal industry spending contributed 77.23 of the total other halal industries.

The role of Islamic fintech type Peer to Peer Lending in supporting the halal industry can be done by providing business development funding capital. The linked form that can be carried out by Islamic banks and Islamic fintech can use a musharaka contract, to fund large industries, or use other contracts. Other forms synergize in information and access. As well as the form of collaboration obligations for industry players who are financed are required to carry out halal certification. Then the means of payment can synergize requiring the use of a sharia bank account. Islamic banks and Islamic fintech can synergize in terms of assistance and product marketing for industries that receive financing.

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