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# Halal Tourism: A pathway to achieving SDGs Goal 1 – eradicating poverty

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Abstract: This study aims to examine the role of halal tourism in supporting the first goal of the Sustainable Development Goals (SDGs), which is poverty eradication in Bangkalan Regency. As a major sector of the economy, tourism has driven the development of Muslim-friendly tourism (halal tourism) in various countries, including Indonesia. Halal tourism and the SDGs are closely related, as both emphasize sustainability in various aspects of life. This research is qualitative, using data collection techniques such as interviews, observations, and documentation. The results of the study indicate that the development of halal tourism at Tlangoh Beach has had a positive impact on the welfare of the Tlangoh Village community. The growth of halal tourism has successfully reduced poverty levels in Bangkalan Regency in 2022, despite a decline in 2021 due to the COVID-19 pandemic. The impact of halal tourism at Tlangoh Beach on the welfare of the Tlangoh Village community can be seen in its ability to absorb local labor and generate income. The revenue from this tourism not only covers wages for workers but also assists the people of Tlangoh Village. The development of halal tourism at Tlangoh Beach aligns with the philosophy of Pro-poor Tourism, which aims to provide economic and social benefits, especially to marginalized communities.

**Keywords:** Halal Tourism; Pro-Poor Tourism; Sustainable Development Goals

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## Introduction

The halal industry is one of the fastest-expanding sectors in the global economy, growing at an annual rate of 20%. In 2019, the global halal market was valued at USD 5.73 trillion and is expected to reach USD 6.53 trillion by 2024. Among the key growing segments of the halal industry is the tourism sector. The rise of halal or sharia tourism has emerged as an alternative segment within the tourism industry in Indonesia, aligning with the global trend of halal tourism as an integral part of the global Islamic economy (Samori et al., 2016).

It is estimated that there are 131 million Muslim tourists worldwide, representing 11% of all international travelers, with this number expected to rise to 156 million by 2020 (Crescentrating, 2018). The global Muslim population currently stands at 2.18 billion, or 28.26% of the world's total population, growing at an annual rate of 1.84% (World Muslim Population, n.d.). Furthermore, the average income of Muslims per capita has increased from USD 1,763 in 1993 to USD 10,728 in 2019, while the combined GDP of the Organization of Islamic Cooperation (OIC) countries has reached USD 27.9 trillion ("Economy of the Organization of Islamic Cooperation," 2024). These figures underscore the vast potential for the halal tourism industry to capitalize on the growing Muslim consumer market. As a result, halal tourism has become an important sector in several countries, including Indonesia.

Indonesia has significant potential in the halal tourism sector, supported by its predominantly Muslim population. Data from the Global Muslim Travel Index (GMTI) (2023) reinforces this potential by ranking Indonesia as the best halal tourism destination in the world, securing the first position among 130 countries. Indonesia successfully improved its ranking, rising from second to first place, surpassing Malaysia. The GMTI assessment is based on four key indicators: accessibility, communication, environment, and services. The service indicator is a major factor, covering the availability of accommodation, transportation, halal food, assurance of healthy and hygienic food, prayer facilities, and Sharia-compliant financial services that are Muslim-friendly for travelers (Ismanto, 2020).

Indonesia's achievement in the halal tourism sector demonstrates the implementation of a tourism concept that is safe and comfortable for Muslim travelers. Halal tourism not only focuses on adherence to Sharia principles but also on efforts to create an inclusive and welcoming environment for all. This concept emphasizes the provision of facilities, services, and government support that align with Sharia values, without restricting non-Muslim travelers from enjoying the experience. (Noviarita et al., 2021). Essentially, halal tourism retains many aspects of conventional tourism, as long as these elements do not conflict with Sharia principles.

The Ministry of Tourism and Creative Economy of the Republic of Indonesia is actively working to harness the potential of halal tourism across various regions, highlighting the country's diverse natural attractions and culinary offerings (Apridia & Dahruji, 2022). This initiative is supported by several laws and regulations, including Law No. 33 of 2024 on Halal Product Guarantee and the Fatwa of the National Sharia Council of the Indonesian Ulema Council No. 108/DSN-MI/X/2016, which provides guidelines for organizing tourism based on Sharia principles. In 2015, the Ministry reported that 13 provinces had been identified as ready to develop halal tourism destinations, namely Aceh, Banten, West Sumatra, Riau, Lampung, Jakarta, West Java, Yogyakarta, East Java, South Sulawesi, Central Java, West Nusa Tenggara, and Bali.

East Java, as one of the provinces for halal tourism destinations, offers a wide range of tourism potential in each of its regions, including Madura Island, according to the Suramadu Tourism

Development Agency (Winosa, 2015), Madura Island has great potential as a halal tourism destination, supported by several advantages, such as the Islamic socio-cultural characteristics of its people, a welcoming environment for Muslim travelers, and religious-themed tourist attractions as well as beautiful natural landscapes. Islamic arts also continue to grow and develop in the community, enriching cultural attractions that align with the concept of halal tourism. Additionally, Bangkalan Regency, as the gateway to Madura via the Suramadu Bridge, is a strategic location with good accessibility, also supported by natural resources, unique local cuisine, and historical sites that enhance halal tourism (Faraby, 2021). These advantages make Madura Island, particularly Bangkalan, a promising destination for halal tourism in East Java.

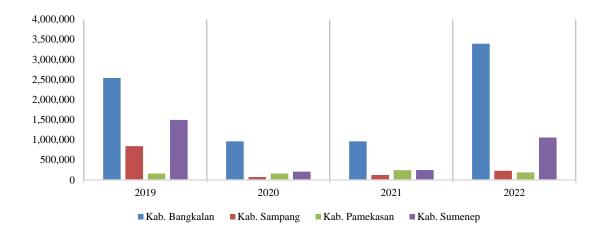


Figure 1 Development of Domestic Tourist Visits in Madura (Source: Processed data (2024)

Figure 1 shows the development of domestic tourist numbers in four regencies on Madura Island from 2019 to 2022, with Bangkalan Regency consistently recording the highest number of visits each year. According to the Bangkalan Department of Culture and Tourism, the main attractions that draw tourists are religious sites such as the tomb of Syeichona Cholil, the tomb of Sultan Abdul Kadirun, and the Tomb of Air Mata Ebhu, with visitor numbers ranging from 500,000 to over 1,000,000 annually. The high number of visits has had a positive impact on the local economy around these religious sites. Therefore, the development of religious and halal tourism in general is crucial in supporting regional development. The tourism sector has the advantage of creating jobs (pro-job), reducing poverty (propoor), promoting economic growth (pro-growth), and preserving the environment (pro-environment) (Suweta, 2018).

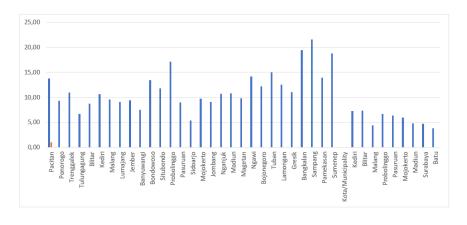


Figure 2 Percentage of Poor Population in East Java in 2022 (BPS, 20204)

BPS (2023) stated that Bangkalan Regency is the second highest in poverty rate in East Java, with a percentage of 19.44%. This situation highlights that poverty remains a serious issue that requires priority in regional development. On the other hand, the development of sustainable and inclusive halal tourism has great potential to help address this issue by creating job opportunities and increasing the region's Local Revenue (PAD) (Rusyidi & Fedryansah, 2018). By harnessing the potential of halal tourism, it is hoped that the development of tourism can provide a more effective and sustainable solution to reduce poverty levels in Bangkalan Regency.

The sustainable development of halal tourism in Bangkalan aligns with the principles of the SDGs, which include enhancing the economic well-being of the community, preserving the environment, and maintaining local culture (Bappenas, 2023). By applying halal tourism standards that prioritize community welfare and environmental sustainability, Bangkalan can enhance the contribution of the tourism sector towards achieving the SDGs (Ihsan et al., 2019). One approach that aligns with the first SDG goal, poverty reduction, is the concept of pro-poor tourism, which focuses on providing direct benefits to the poor communities surrounding tourist destinations. Therefore, the development of inclusive and community-oriented halal tourism in Bangkalan is expected to serve as an effective and sustainable solution to address poverty (Nanda & Wiguna, 2023).

The high number of tourist visits to Bangkalan indicates the significant potential of the tourism sector. However, this has not yet fully translated into improvements in the welfare of the local community. The disparity between the high number of tourist arrivals and the economic condition of the local population forms the critical background for this study. Therefore, this research aims to examine the role of halal tourism development in supporting the Sustainable Development Goals (SDGs) program, particularly the first goal, which is poverty reduction, in Bangkalan Regency.

#### Methods

This study uses a qualitative approach with a phenomenological method. Data collection techniques include interviews, observations, and documentation. Interviews were conducted with key informants, including the Department of Culture and Tourism of Bangkalan Regency, the Head of Tlangoh Village, and residents of Tlangoh Village working at Tlangoh Beach Tourism. Observations were made to study the role of halal tourism development in supporting the SDGs, specifically the first goal of poverty reduction in Bangkalan Regency. Documentation was used to gather secondary data related to Tlangoh Beach halal tourism and the local economic conditions. Data analysis involved three stages: data reduction, data presentation, and drawing conclusions. The sampling technique used was purposive sampling.

## Results and discussion

#### 1. The Relationship Between Halal Tourism and the SDGs

The halal industry continues to experience rapid growth, driven by the increasing Muslim population adopting a halal lifestyle across various aspects of life. Not limited to food and beverages, the halal industry has expanded into sectors such as pharmaceuticals, finance, media, recreation, fashion, and tourism. Tourism, in particular, plays a significant role in boosting the economy of nations. Data from the United Nations World Tourism Organization (UNWTO) recorded a 4% increase in international tourist arrivals, reaching 1.46 billion, and global tourism receipts grew by 3%, totaling \$1.481 trillion in 2020 (United Nation World Tourism Organization, 2020).

In Indonesia, the tourism potential is diverse and is categorized into seven main sectors: nature and ecotourism, history and heritage, sports and recreation, cruises, shopping and culinary, spa and wellness, and MICE (meetings, incentives, conventions, and events). Through the "Wonderful Indonesia" campaign, Indonesia invites global tourists to explore its natural beauty and rich cultural heritage, with the goal of developing Muslim-friendly tourism and strengthening the economic contribution of the tourism sector. This strategy aims to enhance Indonesia's appeal to international tourists while expanding the economic impact of the tourism sector (Indriasih, 2016).

The development of the halal industry has also impacted the tourism sector, leading to the emergence of a new segment: halal tourism. Often referred to as Islamic tourism or Muslim-friendly tourism, halal tourism is a new concept in the tourism industry that opens up exciting opportunities to boost economic growth (Battour & Ismail, 2019). Halal tourism refers to tourism that is conducted in accordance with the guidelines outlined in the Quran, while still allowing non-Muslim tourists to enjoy the experience.

According (Jasser, 2007), Islamic law encourages a society that is just, productive, progressive, humane, spiritual, clean, cohesive, friendly, and highly democratic. Based on these principles, halal tourism, grounded in Sharia guidelines, can play an important role in achieving the Sustainable Development Goals (SDGs). By emphasizing social justice, environmental preservation, and inclusive economic development, halal tourism aligns with the definition of sustainable tourism, supporting holistic global development goals.

Given the significant potential of tourism, its development must align with the principles outlined in the SDGs. In fact, tourism is a sector that is intrinsically linked to the SDGs, as it addresses key areas such as economic well-being, social aspects, and environmental concerns—all of which are central themes in the SDGs. Furthermore, tourism development can have both positive and negative effects on regional progress. Standardizing halal tourism, which incorporates public welfare, environmental sustainability, the preservation of local cultural heritage, and social values, is one way to ensure that halal tourism aligns with the SDGs (Ihsan et al., 2019).

Tourism is a key driver of the economy, especially in communities where it plays an important role in development. Tourism is often accompanied by the emergence of small and medium-sized enterprises (SMEs) in a region to meet the demand for goods and services in that area. This, in turn, leads to an improvement in both the economic and social quality of life within the community. Tourism typically offers natural beauty as its main attraction. However, the wealth provided by nature can be damaged if its management does not consider sustainable practices. This is why the elements of tourism are an integral part of the Sustainable Development Goals (SDGs).

#### 2. The Role of Halal Tourism in Achieving Goal 1 in Bangkalan Regency

The Sustainable Development Goals (SDGs) consist of 17 interconnected goals that support addressing various global challenges we face. However, this study focuses solely on Goal 1, which is to end poverty, with the aim of eradicating poverty.

Analysis of Poverty Levels in Bangkalan Regency

The poverty rate in Bangkalan Regency reflects the economic inability of the population to meet basic food and non-food needs, as measured by their expenditure. In 2022, the number of poor people in Bangkalan decreased to 19.44% from 21.57% in 2021, which could have been influenced by

economic recovery and social assistance. However, the poverty line increased in 2020 from IDR 204,002 to IDR 215,974 in 2021. This indicates a rise in the minimum cost of living. The increase is primarily due to inflation and the impact of the COVID-19 pandemic, suggesting that poverty alleviation efforts in this area require policies that are adaptive to these factors.

## The Role of Halal Tourism in Reducing Poverty Levels

#### 1. Tlangoh Beach Tourism

Tlangoh Beach has adopted most of the concept of Muslim-friendly halal tourism, focusing on Islamic values and providing comfortable facilities for Muslim visitors. In the development of halal tourism, several key aspects need to be considered, such as prayer facilities, halal-certified food, clean water toilets, a ban on alcohol, and separate facilities for men and women (Nisya & Zakik, 2022). At Tlangoh Beach, there is a mosque (mushalla) for prayer that is maintained in cleanliness, as well as clean and comfortable toilets for visitors. However, the food sold in the area does not yet have halal certification, which is a shortcoming in meeting the standards of halal tourism. By obtaining halal certification for the food and beverages, Tlangoh Beach would better meet the criteria for a Muslim-friendly tourism destination.

Tlangoh Beach provides income and benefits for both tourism and the local village community. Profits are generated from ticket sales, parking fees, stall rental payments, camping fees, and the use of recreational facilities and toilets. The highest revenue comes from ticket sales, totaling IDR 306 million over 3 years (2020-2022), while the lowest income comes from bus parking fees, amounting to IDR 36 million over the same period. The total revenue earned over the 3 years is IDR 847,260,000.

Tourism revenue at Tlangoh Beach saw a significant increase in 2021, peaking in 2022 as COVID-19 cases decreased, which helped boost the number of visitors. In contrast, in 2020, revenue from Tlangoh Beach dropped by approximately IDR 1.5 million per year due to the pandemic, which led to a decrease in visitors. Despite the downturn, the Head of Tlangoh Village, Mr. Kudrot Hidayat, decided not to lay off workers, citing the importance of supporting their families. As a result, workers' wages continued to be paid, and if monthly revenue targets were not met, the shortfall would be covered by profits from the following months. The profits from Tlangoh Beach tourism are distributed to the people of Tlangoh Village, the local tourism awareness group (Pokdarwis), and contribute to the Regional Original Revenue (PAD), supporting the local economy and community welfare.

The Head of Tlangoh Village stated that every household (Kartu Keluarga or KK) that does not receive government aid will receive assistance from the income generated by Tlangoh Beach tourism. Residents who feel they have not received this aid are encouraged to report to the village government so that assistance can be distributed properly. The aid provided consists of basic food packages valued at IDR 35,000 per month, which are given to beneficiary families in the village. According to one of the villagers, the monthly aid is not distributed to all households in the village, but only to those who do not receive assistance from the government. This aid is distributed throughout the sub-villages of Tlangoh, ensuring that families in genuine need receive additional support from the income generated by Tlangoh Beach tourism.

The Tlangoh Village government also pays special attention to orphans and high-achieving students. Orphans receive a monthly allowance of IDR 50,000, while high-achieving students receive a monthly education fund of IDR 15,000. The presence of Tlangoh Beach tourism has also had a positive

impact on reducing poverty and unemployment in the village. According to the Head of Tlangoh Village, all workers in the tourism area, including laborers, vendors, and security officers, are local residents of Tlangoh. This demonstrates that Tlangoh Beach not only boosts the village's economy but also creates jobs for the local community.

Another positive impact of Tlangoh Beach tourism is the improvement of the village's economy. One benefit for the villagers is that they can visit Tlangoh Beach free of charge, making it more accessible to local residents. Tlangoh Beach employs around 20 people, along with additional staff such as 3 waste managers, 1 garbage truck driver, and 3 market managers. The profits from this tourism should be managed in accordance with Islamic labor principles, which prioritize freedom, human dignity, justice, and clarity in contracts (aqad) and wage transactions. These principles aim to avoid exploitation and ensure the welfare of workers (Saroji, 2018).

### 2. The Welfare of Tlangoh Village Community

Based on the interview results, Tlangoh Beach tourism targets a monthly revenue of IDR25,000,000. The following is a breakdown of the monthly expenses for Tlangoh Beach tourism:

- a. Salaries for Tlangoh Beach tourism workers
- b. Assistance for orphans and high-achieving students
- c. Basic food packages for some local residents

The exact figures for the expenses and income of Tlangoh Beach tourism cannot be provided in this study, as the Head of Tlangoh Village declined to release the financial records related to the tourism operations. However, if the revenue from Tlangoh Beach tourism exceeds the set target, the surplus funds will be saved and used in months when the income falls short of the target. This financial management system allows flexibility in managing expenses and ensures that monthly financial obligations can still be met despite fluctuations in revenue. It also guarantees that the tourism funds are managed effectively and efficiently.

Tlangoh Beach tourism has proven to be highly beneficial to the village and its community, particularly in reducing poverty levels and boosting the local economy. One of the main indicators of Tlangoh Village's success in reducing poverty and improving its economy is the availability of job opportunities for local residents through various roles in the tourism sector. Additionally, the revenue generated from this tourism helps support those in need by providing assistance in the form of basic food packages, as well as funding educational costs for orphaned children and high-achieving students. Therefore, Tlangoh Beach tourism plays a vital role in improving the village's economy and enhancing the social welfare of its people.

The development of halal tourism at Tlangoh Beach aligns with the philosophy of Pro-poor Tourism, which emphasizes providing both economic and social benefits to the community. This is reflected in the provision of educational assistance for orphans and outstanding students, as well as the creation of employment opportunities for Tlangoh Village residents. Tlangoh Beach tourism not only brings positive economic impacts but also strengthens social welfare through its contributions to the community's well-being. Moreover, Tlangoh Beach tourism has involved all subsystems in the village—both formal and informal—that work together to create a sustainable positive impact.

## **Conclusions**

Amid the rapid growth of the halal industry, Muslim-friendly tourism or halal tourism has emerged as a key sector in several countries. The development of halal tourism will undoubtedly have a significant impact, making it crucial to ensure that its growth aligns with the Sustainable Development Goals (SDGs). Tourism development leverages the diverse beauty of nature and national potential, such as the world's largest marine tourism region, in a wise and sustainable manner, while also promoting economic activities related to the development of national culture.

Research findings show that the development of halal tourism in Bangkalan Regency, particularly at Tlangoh Beach, has had a significant positive impact on the welfare of the community and the local economy. Halal tourism in Bangkalan is in line with the SDGs, particularly in supporting the goal of poverty eradication by creating more job opportunities for local residents. The increase in the number of visitors in recent years has solidified Bangkalan as a primary destination in Madura, making a tangible contribution to the local economy. Tlangoh Beach tourism also has social and economic impacts through the Pro-poor Tourism concept, which strengthens the contribution of halal tourism in supporting sustainable development by providing income for local workers and direct assistance to the community. Therefore, the development of halal tourism in Bangkalan not only boosts the economy but also improves the welfare of the Tlangoh Village community, while supporting an inclusive and sustainable development vision.

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