



The circular economy from the perspective of Islamic economics: Advancing a sustainable halal production model

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ABSTRACT

This study aimed to analyze the integration of circular economy concepts with the principles of Islamic economics to formulate a sustainable halal production model. A Systematic Literature Review (SLR) method was adopted to examine a wide range of scholarly publications related to the circular economy, the halal industry, and maqasid al-shariah to identify opportunities for conceptual integration. The results show that despite the significant potential of the halal industry to adopt circular economy principles, the implementation remained partial and was not systematically integrated within a Shariah-based framework. Based on the synthesis of the literature, this study proposed a conceptual framework, referred to as the Circular Halal Production Model (CHPM). This framework consisted of seven core components, namely normative foundations, halal-circular product design, value-retention-based production, circular halal distribution and logistics, sustainable halal consumption, Shariah-compliant value loops, and value regeneration. The model conceptually connected resource efficiency and waste reduction with the principles of halalan tayyiban and maqasid al-shariah. Accordingly, the study offered a conceptual contribution to the development of Islamic economics literature and showed opportunities for future empirical investigation on sustainable halal production systems.

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1 Introduction

The global halal industry is the fastest-growing sector worldwide, driven by the increasing Muslim population, advancements in production technologies, and shifting consumer preferences toward healthier, safer, more ethical, and environmentally friendly products. The State of the Global Islamic Economy report shows that the value of the economy is projected to exceed USD 5 trillion in the coming years, reflecting the scale and substantial potential of this sector in the global economy. Beyond the role as a religious necessity, halal products are increasingly demanded by non-Muslim consumers because of the perceived high standards of hygiene, safety, and ethical compliance, which led the label to evolve into a symbol of universal quality.

Despite this rapid growth, the halal industry faces significant sustainability challenges, particularly in waste management, intensive natural resource consumption, and the carbon footprint associated with halal production and distribution processes. In response to these challenges, the concept of a circular economy offers an alternative method oriented toward efficiency and long-term sustainability. Circular economy is an economic model that minimizes waste and resource consumption by extending product life cycles, optimizing the use of raw materials, recovering, and recycling resources through regenerative mechanisms (Ellen MacArthur Foundation 2017). In contrast to the conventional linear economic system based on the "take make dispose" principle, the circular economy promotes a transition toward a circular and closed-loop system in which the value of products and materials is continuously preserved. International organizations, such as the OECD (2020), showed that the implementation of circular economy can increase resource efficiency by 30-50% across various industrial sectors while significantly reducing environmental pressures. However, the adoption in the halal industry

remains limited, both theoretically and practically, necessitating a more comprehensive scholarly investigation.

Based on an Islamic economics perspective, the principles of a circular economy exhibit strong philosophical and normative connections. Islamic teachings focus on the preservation of ecological balance, avoidance of wastefulness (*israf*), sustainability of human life and the environment (*hifz al-bi'ah*), fair distribution, and utilization of resources in accordance with the principles of maqasid al-shariah. Several studies have reported that sustainability values are deeply embedded in Islamic teachings and were practiced long before the concepts of sustainable development and circular economy were formally articulated in modern economic discourse (Bsoul *et al.* 2022; Javaid 2022). The prohibition of environmental destruction (*fasad fi al-ardh*) and the injunction to cultivate and prosper the earth (*isti'mar al-ardh*) show that circularity practices are inherently rooted within the Islamic moral framework. Accordingly, the circular economy is not compatible with Islamic economics but may also be viewed as a contemporary implementation of Islamic environmental ethics that is highly relevant to the modern halal industry (Ni'mah *et al.* 2024).

The integration of circular economy concepts in the halal industry remains far from optimal despite its substantial potential. Several studies have shown that halal industry practices across sectors, such as food and beverages, cosmetics, fashion, and halal logistics, tend to focus primarily on compliance with halal standards while giving limited attention to environmental sustainability and comprehensive resource efficiency (Shafie & Othman 2006). At the small and medium enterprise (SME) level, the halal industry continues to face constraints related to the adoption of environmentally friendly technologies, effective waste management systems, and circular production designs. For example, in the halal fashion sector, Peristiwu (2022) reported that the integration of circular economy

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principles could extend product life cycles and reduce textile waste. However, these practices remain limited and have yet to become mainstream. Within halal supply chains, existing studies suggested that energy efficiency measures, the use of environmentally friendly packaging, and systematic implementation of reverse logistics are rarely integrated (Tan *et al.* 2020). These conditions show a significant gap between circular economy theory and current halal industry practices, necessitating further scholarly investigation to bridge this gap.

Significant methodological and conceptual challenges persist in integrating circular economy principles into Islamic economics. Several existing studies remain predominantly conceptual or theoretical, with limited support from robust empirical evidence (Rahim & Sulaiman 2023). The literature on the circular economy from a Shariah perspective is also highly fragmented and lacks a standardized framework for assessing the extent to which halal industries have implemented circularity principles. There is no operational model that has systematically integrated maqasid al-shariah, the halal value chain, and 19R circular economy principles. Through a bibliometric analysis, Kuncorosidi & Wiguna (2024) observed that studies on Circular Economy and halal supply chains have increased significantly since 2018. However, it remains largely dominated by normative discussions rather than policy interventions or industry-based experimental studies.

Considering the complexity and urgency of the issues, this study aimed to provide an in-depth examination of the development of the literature on the circular economy from an Islamic economics perspective and its potential to inform the formulation of sustainable halal production models. Through a literature review method, prevailing trends, key results, theoretical contributions, and existing gaps were analyzed, while outlining directions for future development. The review is expected to contribute academically by enriching the body of literature on Islamic economics and the circular economy. Furthermore, the review offers a conceptual foundation for halal industry practitioners, policymakers, and certification bodies to design and promote more efficient, ethical, and environmentally friendly halal production systems.

2 Material and Methods

A Systematic Literature Review (SLR) method was adopted to collect, evaluate, and synthesize scholarly results on the integration of circular economy concepts and Islamic economic principles to support the sustainability of the halal industry. This method was selected due to its ability to provide a structured and transparent procedure for summarizing existing knowledge, identifying gaps, and developing conceptual frameworks from the available literature (Afandi & Rahma 2025). The review process followed the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines to ensure transparency, rigor, and replicability in the selection and evaluation of relevant studies (Mursilah *et al.* 2025). Literature searches were conducted in several major academic databases, including Scopus, Web of Science, and Google Scholar, covering publications from 2015 to 2025. The search process used combinations of several keywords, namely "circular economy", "halal industry", "Islamic economics", "maqasid al-shariah", "halalan tayyiban", and "sustainable halal production". These keywords were combined using Boolean operators (AND, OR) to refine the search results. The initial search identified 345 studies, and after removal of duplicate records, 285 were screened for title and abstract. The studies were then evaluated based on predefined inclusion criteria, namely (1) peer-reviewed journals, (2) publications discussing circular economy, halal industry, or Islamic economic principles, and (3) studies published in English. Studies that were not directly relevant to the scope, conference abstracts, and non-scholarly sources were excluded. After the screening process, 20 studies were selected for full-text review and final analysis. This study used a thematic analysis method to analyze the selected literature. Relevant information from each study was coded and categorized into several analytical themes related to the integration of circular economy principles with Islamic economic values. The coding process included identifying recurring concepts, theoretical perspectives, and practical methods related to sustainable halal production. The results of this thematic synthesis were subsequently used to construct the Circular Halal Production Model (CHPM) as a conceptual framework.

The first stage of this study included identifying relevant literature, which was conducted by searching several reputable databases, such as Scopus, ScienceDirect, DOAJ, Google Scholar, Sinta, and Garuda. To retrieve pertinent studies, specific keywords were used, such as "circular economy," "Islamic economics," "halal industry," "maqasid shariah," and "sustainable halal supply chain". Boolean operators such as AND and OR were also used in the process (Peristiwo 2022). This process produced dozens of studies, which were subsequently screened for relevance to the topic.

The subsequent stage included a screening process that entailed the removal of duplicate records and an initial assessment of relevance based on title and abstract reviews. Only studies showing a strong association between the integration of circular economy concepts and Shariah principles were retained. During the eligibility stage, each study was examined in full to evaluate the methodological rigor, scholarly

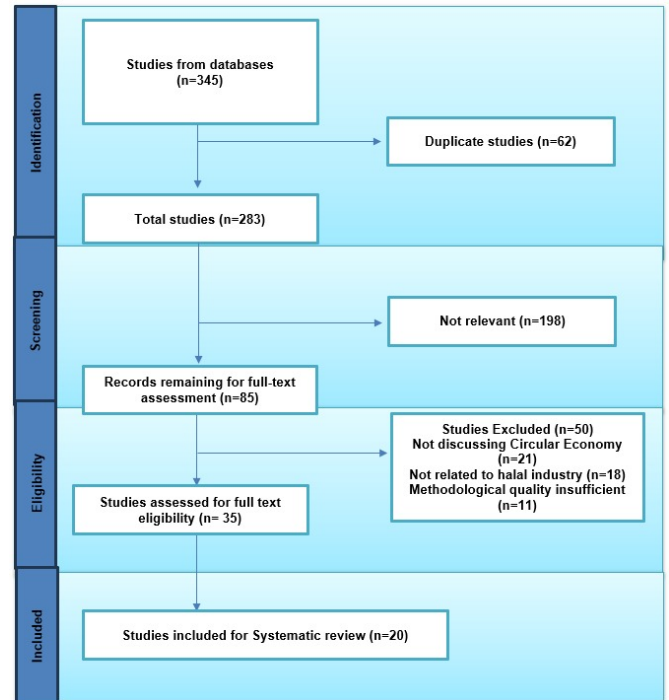


Figure 1: Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA)

contribution, and consistency with the focus. The inclusion criteria comprised studies published between 2015 and 2025 that addressed the halal industry, sustainability, Islamic economics, or the circular economy, and were available in full-text form. Studies that failed to meet methodological standards or did not specifically focus on the halal industry were excluded (Kuncorosidi & Wiguna 2024).

After the completion of the selection process, the eligible studies were analyzed using content analysis and thematic coding methods to identify recurring patterns, key concepts, Shariah-based circular economy model methods, and implementation challenges. This analytical process led to several thematic categories, including the integration of maqasid al-shariah values within the circular economy, opportunities for the development of circularity-based halal industries, innovations in halal waste management, and supportive government policies (Ramlah *et al.* 2024). A comparative synthesis was then conducted to compare results across studies, thereby enabling a deeper understanding of best practices and the development potential of sustainable halal industries (Anwar *et al.* 2024). Source triangulation was used to enhance validity by reviewing studies from multiple countries, including Malaysia, Indonesia, and several Middle Eastern countries that have experienced rapid development in the halal economy. All documentation processes were conducted using the Mendeley reference management tool and PRISMA workflow to ensure consistency and transparency throughout the review process. Through this SLR method, the study was expected to make a theoretical contribution by proposing an integrative circular economy-shariah model, as well as by identifying gaps to inform future scholarly investigations (Azizah & Anhar 2025).

3 Results

The analysis results showed that the concept of the circular economy strongly converged with the principles of Islamic economics, particularly when associated with the objectives of Islamic law (maqasid al-shariah) and halal production standards. The circular economy focused on maximizing resource value through practices such as reuse, recycling, repairs, and remanufacturing. These values were consistent with Islamic teachings that promoted efficiency, avoidance of excess (israf), and preservation of environmental trust as part of humanity's responsibility as khalifah (steward) of the earth. The consistency reinforced the argument that the circular economy was not an unfamiliar concept within Islamic economics. It served as an operational framework to strengthen halal production ethics, which were oriented toward sustainability.

The integration of the circular economy into the halal supply chain, as shown by Kuncorosidi & Wiguna (2024), implied that the halal industry should not focus solely on the permissibility of materials and production processes but on more efficient resource management and waste minimization. Waste management and resource efficiency were critical factors in maintaining production continuity and enhancing the halal industry's competitiveness. Accordingly, the reuse of raw materials and recycling processes remained consistent with halal principles, provided that traceability standards were strictly implemented to ensure the absence

Table 1: Relevance of included studies

No.	Study ID	Title	Relevance
1	Afandi & Rahma (2025)	Circular Economy and Maqasid al-Shari'ah: A Conceptual Framework for Islamic Economic Reform	This study conceptually examines the concept of the circular economy from the perspective of Islamic economics
2	Mursilah <i>et al.</i> (2025)	Systematic Literature Review (SLR): Peran Circular Economy dalam Mengurangi Limbah Industri Halal Fashion Perspektif Maqashid Syariah	Directly examining the intersection of the circular economy, halal fashion industry, and maqasid al-shariah is highly aligned with the focus of this study
3	Kuncorosidi & Wiguna (2024)	Bibliometric Analysis Integrating Halal Supply Chain and Circular Economy Principles	This focus on halal supply chain and circular economy principles is well-suited to the supply chain and production sections of this study.
4	Hidayat (2024)	Uncovering the Potential of a Circular Economy from an Islamic Economic Perspective	Demonstrating the alignment between Islamic economic principles and the circular economy provides a strong foundation for the theoretical framework of this study.
5	Dinar <i>et al.</i> (2024)	Konsep Ekonomi Sirkular Pada Program Pengembangan Industri Halal	A literature review that directly links the circular economy with the halal industry is particularly useful for the results section of the literature review.
6	Al-Zanki & Moussa (2020)	The Circular Economy from an Islamic Perspective	A fiqh-based and Islamic economic perspective on the circular economy strengthens this study's theoretical framework.
7	Azim (2024)	Circular Economy Valuation from the Perspective of Hifz Al-Bi'ah: A Systematic Literature Review	A specific focus on environmental preservation (hifz al-bi'ah) within the integration of the circular economy and Islam is highly relevant for strengthening the link between sustainability and Shariah principles.
8	Anisah (2024)	Green Halal: Sinergi Industri Halal dan Pembangunan Berkelanjutan	Linking the halal industry with the green economy and sustainable development is highly appropriate for the implications section of this study.
9	Erwaidy <i>et al.</i> (2021)	Implementing Halal Industry Management and Environment Conservation Based on Maqashid Sharia	Examining halal industry management and environmental conservation from the maqasid al-shariah perspective is highly suitable for case studies or practical discussions.
10	Lusiana & Listiwati (2025)	Potensi Ekonomi Sirkular Dalam Mengembangkan Industri Fashion Halal Berkelanjutan: Tinjauan Studi Literatur	A literature review that directly addresses the halal fashion industry and the circular economy can serve as a dedicated section for sector-specific discussions.
11	Ni'mah <i>et al.</i> (2024)	The role of circular economy in supporting sustainable development from Islamic economic perspective	Integrating the circular economy with an Islamic economic perspective serves as the theoretical foundation for this study.
12	Peristiw (2022)	Potensi Ekonomi Sirkular terhadap Industri Fesyen Halal Berkelanjutan di Indonesia	A case study or conceptual analysis of the application of the circular economy in the halal fashion industry in Indonesia.
13	Anwar <i>et al.</i> (2025)	An Analysis of the Green Economy Framework for the Halal Industry	Defining the green economy in alignment with the halal industry's strategic needs and aspirations is particularly useful for the policy implementation section.
14	Hassan <i>et al.</i> (2020)	The Circular Economy, Sustainable Development, and the Role of Islamic Finance	Highlighting how Islamic financial instruments can support the transition toward a circular economy is essential for addressing the financing aspects of the halal circular economy.
15	Musari <i>et al.</i> (2025)	Mapping the Implementation of the Circular Economy and Reverse Logistics in Sustainable Halal Supply Chains: Evidence from ASEAN	Providing evidence of circular economy implementation and reverse logistics practices within halal supply chains in the ASEAN context is particularly valuable for practice-oriented studies.
16	Koyyimah (2024)	A Circular Economy Perspective on Hifz al-Bi'ah through the Utilization of Shellfish Waste	Practical examples illustrating the concept of hifz al-bi'ah (environmental preservation) through the application of circular economy principles are well-suited as micro-level empirical evidence.
17	Mutmainah <i>et al.</i> (2024)	Proposing a Mosque-Based Circular Economy: An Optimization Model for Mosque-Based Economic Empowerment	Examples of community-based or religious models that implement circular economy practices within the Islamic context provide valuable material for analyzing the social dimension of sustainability.
18	Kuncorosidi & Wiguna (2024)	A Bibliometric Analysis Integrating Halal Supply Chain Principles and the Circular Economy	A bibliometric analysis that maps the literature on halal supply chains and the circular economy is particularly useful for the methodological section, which focuses on research mapping.
19	Anggraeni <i>et al.</i> (2023)	The Role of Green Economy, Sustainable Halal Environment, and Digital Tourism on Community Income: A Case Study in West Java and Lampung Tourism Villages	Linking green halal initiatives with local economic impacts and digitalization is highly relevant to sectoral discussions and social impact analyses.
20	Fathma <i>et al.</i> (2025)	Islamic Circular Economy in Business Practice and Islamic Finance: a Systematic Literature Review	The integration of the circular economy with Islamic business practices and Islamic finance is strongly aligned with the theme of Halal sustainable production.

of contamination by non-halal elements. The result showed that circular economy practices supported adoption without compromising Shariah compliance and strengthened compliance through greater transparency. Afandi & Rahma (2025) reinforced the argument that the circular economy was grounded in a strong normative foundation within maqasid al-shariah. Environmental protection and resource optimization were integral to preserving life, wealth, and the long-term sustainability of human civilization. Halal production that adopted principles such as product life extension or material recovery generated economic benefits and contributed to broader social welfare (masalahah). Accordingly, the circular economy could be understood as a modern economic practice that inherently supported the objectives of Islamic law by fostering balance (tawazun) among human activity, natural resources, and the environment.

Mursilah *et al.* (2025) examined the halal fashion industry and showed the practical implementation of the circular economy within the halal industrial context. The reduction of textile waste through recycling and sustainable product design showed that circular economy practices could enhance production efficiency without compromising halal integrity. Furthermore, the experiences of the fashion sector served as a replicable model for other halal industries, such as cosmetics, processed foods, and pharmaceuticals. Through proper implementation, the circular economy strengthened the global competitiveness of the halal industry while meeting the growing market demand for environmentally conscious products.

The results of this study showed that Islamic economics provided a strong ethical and normative foundation for adopting a circular economy. The principle of halal tayyiban was closely related to circularity-oriented practices that focused on safety, cleanliness, and ethical and sustainable

selection of raw materials. Meanwhile, the prohibition of israf (wastefulness) served as a normative basis for waste reduction and efficient resource utilization. Maqasid al-shariah, particularly the protection of life (hifz al-nafs), wealth (hifz al-māl), and the environment (hifz al-biah), was directly relevant to the objectives of the circular economy in maintaining ecological sustainability and human well-being. Accordingly, the integration of these two frameworks was complementary. These results reinforced the argument that the circular economy represented a practical manifestation of humanity's responsibility as Khalifah to safeguard Earth's sustainability in accordance with Islamic ethical guidance.

Analysis of the literature showed that the implementation of circular economy concepts within the halal industry occurred across several sectors, including halal supply chains, halal tourism, food waste management, and green manufacturing development. However, these implementations tended to be sectoral and technical in nature and have not yet formed an operational framework that could be universally applied by halal industry practitioners. The results also showed that circular processes, such as recycling, material reuse, and product life extension, were often not evaluated from a halal compliance perspective. Most studies focused primarily on ecological or economic sustainability, without considering the risks of najis contamination, the permissibility of recycled materials, or adherence to halal assurance system standards during the remanufacturing and refurbishment stages. This result showed the urgent need for a model that simultaneously incorporated Shariah principles and the circularity of value chains.

In this study, the CHPM was proposed as an integrative framework that combined Islamic economic principles, halal standards, and circular economy mechanisms. The model comprised seven key components,

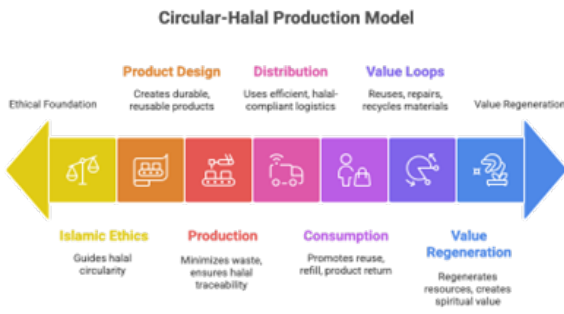


Figure 2: Circular-Halal Production Model

namely the foundation of maqasid al-shariah and halal principles, circular halal product design, value-retention-based procurement and production, circular halal distribution and logistics, sustainable halal consumption, halal-compliant value loops, as well as the regeneration of resources and value (barakah). The results showed that CHPM functioned as an operational model that ensured the integrity of halal principles and also expanded sustainability impact through resource optimization and waste minimization. Accordingly, CHPM provided a novel theoretical contribution while offering practical guidance for transforming the halal industry toward a circular economy

The CHPM was built on seven core components that formed a sustainable halal production cycle while ensuring compliance with shariah principles. The cycle commenced with a normative foundation grounded in maqasid al-shariah and the principles of halalan tayyiban, which provided an ethical basis for every stage of the production process. *Hiifz al-nafs* (protection of life), focused on product safety, *hiifz al-māl* guides efficient resource utilization and the avoidance of waste (*israf*). *Hiifz al-bi'ah* promoted waste and pollution reduction, while *hiifz al-din* and *hiifz al-nasl* ensured that production processes were conducted ethically. Consequently, the entire circular workflow in this model operated under the overarching halalan tayyiban filter.

Based on the value foundation, the second component focused on circular-halal product design. This component entailed developing products that were durable, easily repairable, reusable, and recyclable without the risk of contamination from non-halal materials. The design method incorporated the principle of *tawazzun* (balance) and promoted Shariah-compliant efficiency by extending product lifespans while simultaneously reducing waste generation. The third component focused on value-retention-based procurement and production, requiring strict halal traceability, waste minimization, and the implementation of 19R circular economy principles adapted to Shariah requirements. For example, recycling processes were only permissible when the materials were free from najis and any contamination that could compromise the halal status. This component also addressed a gap in the literature, as previous circular economy studies rarely evaluated production processes from a halal compliance perspective.

The fourth component extended the sustainability method to circular halal distribution and logistics, including the efficient use of energy, provision of environmentally friendly packaging that still meets halal standards, and implementation of halal reverse logistics to enable product repair or recycling without the risk of mixing with non-halal materials. This method expanded the halal supply chain into a more comprehensive circular network. The fifth component promoted sustainable halal consumption, in which consumers did not act as passive users but became value co-creators through practices, such as non-wasteful consumption, product returns after use, and participation in refill, repair, and reuse programs. The principle of *lā darar wa lā dirār* served as a guideline, suggesting that consumption should not harm humans or the environment.

The sixth component represented the most innovative element of the model, namely Shariah-compliant circular value loops. All value-restoration processes in the circular economy, such as reuse, repair, refurbishment, remanufacturing, recycling, and energy recovery, were carefully evaluated to ensure compliance with halal standards. For instance, reuse was only permissible for products free from contamination by haram elements. Repair required the use of halal-certified components, while refurbishment and remanufacturing necessitated strict segregation of halal and non-halal materials. Recycling must ensure that materials are free from najis that cannot be purified. Therefore, the model operationalized circular economy principles within a Shariah framework without neglecting the technical aspects of sustainability.

The final stage was value regeneration, which constituted the main distinction between the CHPM and conventional circular economy models. Regeneration included not only the recovery of natural resources or the enhancement of economic efficiency but also the restoration of social and spiritual values through increased barakah arising from production processes that were ethical, just, and oriented toward the common good.

This element was consistent with the concept of humans as *khalifah fil-ardh* and the obligation of *isti'mār al-ardh* to cultivate and prosper on Earth. Consequently, CHPM presented a production model that preserved ecological and economic sustainability, as well as strengthened moral and spiritual integrity in accordance with Islamic guidance.

Theoretically, CHPM contributed to the development of Islamic economic thought by showing how Shariah principles could be operationalized within a modern circular economy framework. The model showed that sustainability in the halal industry extended beyond ecological impact reduction to include barakah, justice, and moral responsibility, consistent with humanity's mandate as *khalifah fil-ardh*. Practically, the model offered guidance for halal industry practitioners, policymakers, and certification bodies to design production systems that complied with halal standards and provide added value through resource efficiency and sustainable innovation. This study concluded that the integration of circular economy principles with Islamic economics had significant potential for transforming the halal industry toward a more sustainable production paradigm. CHPM provided a conceptual foundation that could be further developed through empirical studies, halal sustainability index measurements, and public policy formulation. Future studies should test the model within specific sectors or regional contexts to assess its practical effectiveness and identify implementation challenges at both industrial and MSME scales. In general, this study reinforced the understanding that sustainability was not just a modern economic necessity but a manifestation of Shariah values that guide the welfare and continuity of human life and the environment.

The literature review showed a strong conceptual association between circular economy principles and Islamic economic values, particularly maqasid al-shariah and the halalan tayyiban principle. This association suggested that integrating circular practices into halal production could enhance resource efficiency, environmental sustainability, and industry competitiveness. Furthermore, there was a need for an integrated conceptual framework and supportive policy measures to ensure Shariah compliance and guide sustainable development within the halal industry.

4 Discussion

The growing number of studies and discussions on halal issues has not been accompanied by greater ease for industries in implementing halal certification. This condition shows a gap in the effectiveness of the existing halal standards and regulatory systems. Similarly, the increasing number of halal-related institutions in Indonesia appears to be counterproductive to the development of the halal industry, as various cases harm consumers. This situation suggests weaknesses in regulatory oversight and in the implementation of existing halal governance frameworks. The result of the SLR shows a strong conceptual convergence between the principles of the circular economy and the normative foundations of Islamic economics. Circular economy practices, such as reuse, recycling, repair, and remanufacturing, focus on maximizing resource value and minimizing waste throughout the production cycle. These principles resonate with Islamic teachings that promote efficiency, prohibit excess (*isrāf*), and environmental stewardship as part of humanity's responsibility (*khalifah*) on earth. Based on this perspective, the circular economy can be understood not as an external or imported concept but as an operational extension of ethical values already rooted within Islamic economic principles. The literature further show that the integration of circular economy principles into the halal industry can expand the scope of halal production beyond compliance with permissible materials and processing methods. According to Kuncorosidi & Wiguna (2024), halal supply chains increasingly require efficient resource management and effective waste reduction strategies to maintain production sustainability and enhance industry competitiveness. Circular practices may remain compatible with halal principles, provided that strict traceability and contamination control mechanisms are implemented. This requirement shows the importance of transparency and monitoring systems to ensure that circular practices do not compromise halal integrity.

Based on a normative perspective, the consistency between the circular economy and Islamic economics is strongly supported by the objectives of Islamic law (*maqasid al-shariah*). Previous studies suggest that environmental preservation and responsible resource management are closely related to the protection of life (*hiifz al-nafs*), wealth (*hiifz al-māl*), and environmental sustainability. Afandi & Rahma (2025) argued that the circular economy could be interpreted as a contemporary mechanism for achieving *maslahah* (public welfare). This is because the concept promotes balanced interactions between human activities, economic development, and environmental preservation. Consequently, circular practices, such as product life extension and material recovery, can generate both economic value and broader social benefits within the halal production system. Empirical insights from sectoral studies further support the feasibility of implementing circular economy practices within halal industries. For example, Mursilah *et al.* (2025) show how the halal fashion sector has adopted circular strategies through sustainable product design and textile waste recycling.

The initiatives show that circular practices can improve production

efficiency while maintaining compliance with halal standards. Similar methods are also applicable to other halal sectors, including food processing, cosmetics, and pharmaceuticals. As global consumers increasingly demand environmentally responsible products, integrating circular economy principles may enhance the competitiveness and sustainability of halal industries in international markets. Despite these promising developments, the literature review shows that current implementations of circular economy practices within the halal industry remain fragmented and largely sector-specific. Most existing studies show environmental or economic sustainability, while relatively few explicitly examine circular practices through the lens of halal compliance. In particular, some issues remain unexplored, including the potential contamination of recycled materials by najis, the permissibility of reused inputs, and compliance with halal assurance system standards during remanufacturing processes. This gap shows the need for a more comprehensive framework capable of integrating circular economy mechanisms with Shariah-based regulatory considerations. To address this gap, this study proposes the CHPM as a conceptual framework that integrates Islamic economic principles, halal standards, and circular economy mechanisms. The model consists of seven interconnected components, namely (1) normative foundations based on maqasid al-shariah and halal principles, (2) circular halal product design, (3) value-retention-based procurement and production, (4) circular halal distribution and logistics, (5) sustainable halal consumption, (6) halal-compliant value loops, and (7) regeneration of resources and value (barakah). The CHPM was not presented as a prescriptive solution but was intended as a conceptual synthesis that illustrated how circular economy principles could be operationalized within a halal production context.

In general, the results suggest that integrating circular economy principles with Islamic economic values offers promising opportunities for advancing sustainable halal industry development. By connecting resource efficiency, waste reduction, and Shariah compliance, the proposed framework contributes to the theoretical discourse on Islamic economics and sustainable production systems. However, further empirical studies are required to test the applicability and effectiveness of the CHPM across different halal industry sectors and institutional contexts.

5 Conclusion

In conclusion, this study proposes the CHPM as a conceptual framework that integrates economic principles with Islamic economic values in the halal industry. The results suggest that the circular economy is broadly compatible with maqasid al-shariah and the halalan tayyiban principle. Therefore, sustainability practices, such as resource efficiency, waste reduction, and product life extension, can be connected with Shariah-compliant production systems. The CHPM framework shows seven interconnected components that collectively support a more sustainable halal production cycle. These include Shariah-based normative foundations, circular product design, value-retention production, circular logistics, sustainable consumption, halal-compliant value loops, and value regeneration. Based on a theoretical perspective, this study contributes to the development of Islamic economics and halal sustainability literature by offering an integrated conceptual method that connects ethical, environmental, and economic dimensions of halal production. In terms of practical implications, the framework provides initial guidance for policymakers and halal industry stakeholders in incorporating circular economy strategies into halal value chains while maintaining Shariah compliance. However, further empirical studies are needed to test the model's applicability across different halal industry sectors, as well as to examine the opportunities and challenges associated with its implementation.

Conflict of Interest

The authors declare no conflict of interest.

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