

## ABSTRACT

*The halal industry is currently one of the priorities in economic development in various countries, including Indonesia. As the country with the largest Muslim population, Indonesia has a great opportunity to develop as a global halal industry center. Furthermore, micro and small enterprises (MSEs) play a significant role in the community's economy due to their large proportion and strong linkage to daily economic activities.*

*This study employs a quantitative approach using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 4. The sampling technique used is simple random sampling, involving 100 respondents from micro and small culinary enterprises that have obtained halal certification in Tembalang. Data were collected through questionnaires distributed via Google Forms and direct visits to business owners. The variables examined in this study include halal certification, income increase, business sustainability, and business development.*

*The results show that halal certification does not have a significant effect on business sustainability and business development. However, halal certification has a positive and significant effect on income increase. Furthermore, income increase has a positive and significant effect on both business sustainability and business development. In addition, income increase significantly mediates the relationship between halal certification and both business sustainability and business development. These findings indicate that halal certification does not directly improve business sustainability and development, but does so indirectly through income increase as a mediating variable.*

*Keywords: Halal Certification, Culinary MSEs, Income Increase, Business Sustainability, Business Development*

