

ABSTRACT

This study aims to examine the impact of halal certification based on business scale (micro, small, medium, and large), economic growth, and population density on environmental quality in Indonesia for the period 2020-2024. Environmental quality is measured using the Environmental Quality Index (EQI), while economic growth is measured using Gross Regional Domestic Product (GRDP). This study uses panel data covering 38 provinces in Indonesia during the period 2020-2024 and is analyzed using panel data regression. The result show that halal certification for micro-scale businesses and halal certification for large-scale businesses have a positive and significant effect on EQI. Economic growth also has a significant effect on EQI with negative relationship for GRDP and positive for GRDP squared. These findings indicate a nonlinear relationship in accordance with the Environmental Kuznets Curve (EKC) theory. Meanwhile, halal certification for small-scale businesses, halal certification for medium-scale businesses, and population density do not have a significant effect on EQI. These findings provide important implications, demonstrating the potential for halal certification to encourage more ethical and responsible economic activity, thereby supporting environmental improvements.

Keywords: Environmental Quality Index, Halal Certification, Economic Growth, Population Density, Environmental Kuznets Curve.

