

# Integration of the Thayyiban Principle into Halal Tourism Waste Management Policies in Bandung: A Social Cost-Benefit Analysis

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**Abstract:** The city of Bandung occupies a strategic position as one of Indonesia's leading halal tourism destinations. However, this surge in tourism activity is directly linked to increased negative externalities, particularly waste, which threatens progress toward achieving Sustainable Development Goal (SDG) Target 12 on responsible consumption and production. This study aims to evaluate macro-level policies for managing halal tourism waste in Bandung using a Social Cost-Benefit Analysis (SCBA) approach, based on library research. The analysis was conducted on both the supply side (the halal hospitality and culinary industries) and the demand side (tourists). The study's results indicate a conceptual gap: current halal tourism practices remain confined to the formal-legal dimensions of halal compliance but have not yet integrated the principle of thayyiban (ecological sustainability). Consequently, tourism waste management continues to generate a Net Social Cost. This study concludes that halal tourism is often understood merely as a formal-legal label (such as pork- and alcohol-free food or the availability of places of worship). It proposes expanding the meaning of "halal" to include the element of "thayyiban" (clean, environmentally conscious, and sustainable) through strict regulatory instruments (command-and-control) and fiscal instruments of the circular Islamic economy to achieve a Net Social Benefit aligned with SDG 12 targets.

**Keywords:** Thayyiban Principle, Halal Tourism, SGD 12, Social Cost Benefit Analysis, Waste Management.

## Introduction

Tourism is one of the strategic sectors in global economic development because it contributes to economic growth, job creation, increased foreign exchange earnings, and the strengthening of local economies (Wijaya, 2023). In 2024, Indonesia recorded a significant distribution of international tourist arrivals from both ASEAN and non-ASEAN countries. Non-ASEAN nationals accounted for 66% of total tourist arrivals, while ASEAN nationals accounted for 34%. This dominance of non-ASEAN tourists highlights Indonesia's global appeal beyond Southeast Asia. It also underscores the growing diversification of Indonesia's international tourism market (IMTI, 2025). In the context of a country with a Muslim-majority population, halal tourism is emerging as a new paradigm that integrates travelers' spiritual needs with modern tourism services.

Indonesia, as the country with the world's largest Muslim population, has great potential for the development of halal tourism. The IMTI 2025 report reveals that domestic and international tourist arrivals across various provinces highlight the strengths, appeal, and distinct characteristics of each region. West Java Province stands out as a leader in domestic tourism, welcoming more than 150 million local visitors. With strong local engagement and a rich cultural heritage, this province has great potential to expand halal-focused experiences through local cuisine, cultural festivals, and Islamic heritage sites. Additionally, West Java ranks among the top five provinces for international tourist visits. The high number of tourists visiting West Java includes the Greater Bandung area, which has long been known as a hub for culinary, cultural, and recreational tourism.

**Figure 1. Number of Tourists by Province**

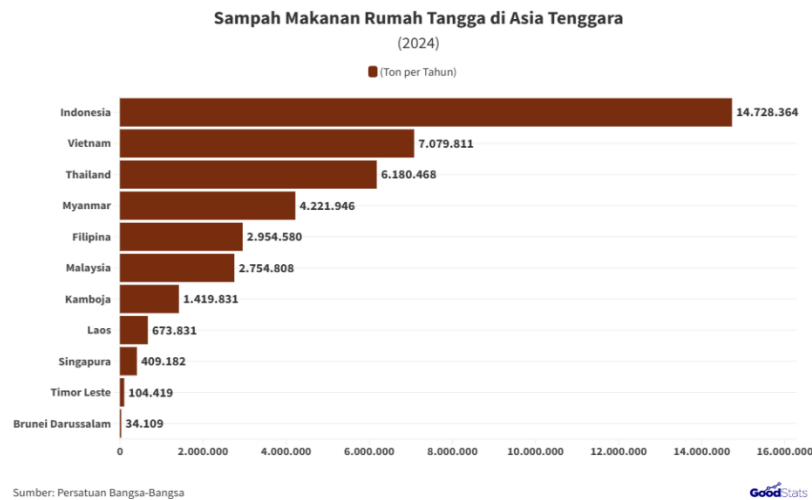


Source: IMTI, 2025

Greater Bandung is developing its halal tourism brand by strengthening Muslim-friendly destinations, providing halal food and places of worship, and fostering a Sharia-based creative economy (Bandung City Communication and Information Office, 2025). However, the increase in tourist activity has also led to rising volumes of waste, single-use plastic consumption, food waste, and pressure on the environmental quality of these destinations. These conditions highlight a paradox in tourism development: economic growth in the tourism sector can actually degrade environmental quality if not accompanied by sustainable management. This phenomenon also triggers negative environmental and social externalities that burden local communities and strain the local government's fiscal capacity—as reflected in the regional budget (APBD)—to cover transportation costs to the Sarimukti Landfill (Wiratma & Setiawan, 2024).

Indonesia is the Southeast Asian country that generates the most food waste. According to the United Nations Environment Programme (UNEP)'s 2024 Food Waste Index Report, Indonesia generates 14.73 million metric tons of food waste per year. According to data from the National Waste Management Information System (SIPSN), of the total 34.21 million metric tons of waste generated in 2024, 39.25% consisted of food waste. The National Food Agency states that the amount of food waste generated in Indonesia could feed 29–47% of the country's population.

**Figure 2. Household Food Waste in Southeast Asia in 2024**



The scale of food waste is also evident in provinces across Indonesia, including West Java. The West Java Provincial Government has highlighted the large amount of food waste generated in the province, as particularly evident from the waste accumulation at the Sarimukti Integrated Waste Management Facility (TPPAS). Of the 3,000 m<sup>3</sup> or 1,500 metric tons of waste disposed of daily at Sarimukti from the four regencies and cities in the Greater Bandung area, half—50%—consists of food waste (Goodstats, 2024). The massive growth of the halal tourism sector has brought about a contradictory ecological challenge: a crisis in tourism waste management that frequently places the city of Bandung in a state of waste emergency (Pratama & Wibowo, 2022).

Environmental issues in the tourism sector are closely linked to the Sustainable Development Goals (SDGs), specifically SDG 12 on responsible consumption and production. Specifically, Target 12.3 (halving food waste) and Target 12.5 (significantly reducing waste generation through prevention, reduction, recycling, and reuse) (United Nations, 2015). SDG 12 emphasizes the importance of resource efficiency, waste reduction, recycling, and shifting consumption and production patterns toward sustainability. In the context of halal tourism, the implementation of SDG 12 is highly relevant because Islamic principles fundamentally emphasize cleanliness, balance, the prohibition of *israf* (excess), and human responsibility toward the environment. Studies (Rojabi et al., 2020; Alisah et al., 2025) indicate that halal tourism consistent with Islamic values requires cleanliness, waste management, and green economy practices (sustainable resources, effective waste management, environmentally friendly products, and community participation). Theoretically, the concept of “Halal” in Islam is inseparable from the principle of “*Thayyib*” (good, pure, clean, and sustainable). Ideal halal tourism should reflect the *maqasid al-sharia* in the aspect of environmental protection (*hifzh al-bi'ah*) through responsible consumption and production patterns (SDG 12). Unfortunately, the literature on the subject indicates that the implementation of halal tourism at the macro level remains reductionist, focused solely on meeting formal-legal requirements such as product certification, the availability of places of worship, and the segregation of non-halal food (Suhadak & Arifin, 2023). The “*thayyiban*” dimension, which governs waste management and fines for wastefulness, has not yet been incorporated into mandatory regulations for business operators or the tourist fee system.

Various studies show that sustainable halal tourism management cannot rely solely on halal certification and religious services but must also integrate the principles of the green economy and the circular economy. Rojabi et

al. (2020) found that the development of a zero-waste halal tourism community in Lombok was able to reduce environmental pollution while maintaining the image of the halal destination. Meanwhile, Strippoli et al. (2024) explain that the circular economy in the tourism sector serves as a strategic approach to reduce waste and support the implementation of SDG 12, as well as to achieve many other SDGs. Other studies have emphasized that halal tourism regulations that focus solely on certification while ignoring the waste crisis and environmental degradation have proven ineffective in solving problems, as seen in NTB (Hahladakis, 2025; Jaelani & Kusumaningtyas, 2025). Regional halal tourism policies need to be revised to explicitly incorporate ecosystem protection, waste management, and environmental carrying capacity, rather than focusing solely on economic aspects and the halal market (Jaelani & Kusumaningtyas, 2025).

To bridge this gap and evaluate the effectiveness of macroeconomic policies in the city of Bandung, the Social Cost-Benefit Analysis (SCBA) framework is needed. SCBA enables researchers to identify and weigh all social costs and social benefits of a policy, going beyond a mere analysis of private financial gains for the industry (Boardman et al., 2018). This article aims to analyze strategies for controlling the negative externalities of halal tourism waste in Bandung from the perspectives of both demand and supply within the framework of achieving SDGs 12, using a regulatory and fiscal SCBA approach.

## Method

This study employs a qualitative approach using the literature review method (*library research*). This approach was used to analyze the relationship between halal tourism and SDG 12 through a conceptual synthesis of various previous studies. Data sources include articles from reputable international journals, international conference proceedings, and scientific publications discussing halal tourism, sustainable tourism, the circular economy, the green economy, SDG 12, and waste management in tourist destinations.

## Results and Discussion

### 1. Halal Tourism and Sustainable Tourism

Halal tourism is a concept in the tourism industry that provides services in accordance with Sharia principles, including halal food, places of worship, a clean environment, and service that aligns with Islamic values. According to Khan et al. (2025), halal tourism is not only related to religious aspects but also to social and environmental responsibility. This concept means that halal tourism is closely linked to sustainable tourism.

From an Islamic perspective, cleanliness is an integral part of human life. Therefore, halal tourism destinations should ideally not only provide facilities for worship and halal certification but also ensure the quality of the environment and the cleanliness of the destination. Jaelani and Kusumaningtyas (2025) emphasize that halal tourism regulations that focus solely on certification without considering environmental sustainability will not be able to create competitive tourism destinations in the long term. The concept of sustainable tourism emphasizes a balance between economic growth, social well-being, and environmental conservation. In the context of halal tourism, this balance can be achieved through the integration of Islamic values with the principles of the green economy and the circular economy.

### 2. Waste Management in Bandung's Tourist Destinations: A Snapshot of the Current Situation

The tourism sector in Bandung has unique characteristics because it is dominated by urban tourism, with destination clusters scattered throughout the city center (such as the heritage areas of Jalan Braga and Asia Afrika), shopping centers (Cihampelas and various factory outlet centers), and culinary hubs. These characteristics mean that waste management at the destination level faces complex logistical and spatial challenges (Pratama & Wibowo, 2022).

Based on a synthesis of secondary data, waste management in Bandung's tourist destinations currently still relies on conventional methods—namely, collection, transport, and disposal. In public open-air tourist areas (Jalan Braga and Alun-Alun), the provision of separate waste bins by the Department of Environmental Affairs (DLH) often fails to keep pace with the actual volume of waste generated during weekend visitor surges. Furthermore, the lack of intermediate treatment facilities in the areas surrounding these destinations results in all waste—both organic food scraps and inorganic plastic packaging—ending up mixed together at Temporary Storage Sites (TPS) before being transported to the Sarimukti Landfill (Wiratma & Setiawan, 2024).

This situation is exacerbated by the fragmentation of management responsibilities at the destination level. In privately managed tourist destinations or those based in integrated commercial areas, waste management is treated as a maintenance cost component that is outsourced to third parties. Destination managers do not yet have key performance indicators (KPIs) that link waste reduction volumes to business incentives. From an environmental economics perspective, the existing governance model at the destination level reflects an institutional failure to provide public goods in the form of a clean tourism environment. Tourist destinations function merely as spaces

of consumption that exploit the city's aesthetic value to generate private economic profits, yet shift the costs of waste management onto the city's macro-level waste disposal system (Mishan, 2021). This inefficient and destructive governance model is the primary obstacle preventing the City of Bandung from adapting a sustainable tourism supply chain in accordance with the mandate of SDG Target 12.5.

### 3. Social Cost-Benefit Analysis

Social Cost-Benefit Analysis (SCBA) is a systematic methodology used to assess the impact of an investment project or public policy on society as a whole, taking into account both positive and negative effects to determine the net benefits generated for the economy. Historically, the roots of cost-benefit analysis can be traced back to the 19th century, when French economist Jules Dupuit (1844) introduced the concept of consumer surplus in the context of public infrastructure projects. In the 20th century, this method developed rapidly through the contributions of welfare economists such as A.C. Pigou (1920) in his work *The Economics of Welfare*, which laid the theoretical foundation for the concept of externalities—that is, costs and benefits not reflected in market prices. Since then, SCBA has evolved into a primary tool for evaluating public sector projects, ranging from transportation infrastructure, health, and the environment to social policies (Boardman et al., 2018). Unlike conventional financial analysis, which focuses on profitability for investors, SCBA adopts a broader perspective by placing the public interest at the center of the evaluation.

SCBA is rooted in welfare economics, which measures changes in societal welfare—expressed as the aggregate of all individual utilities or willingness-to-pay—resulting from the implementation of a specific project or policy (Boadway & Bruce, 1984). A policy or project is considered “desirable” or “socially efficient” if it meets the Kaldor-Hicks criteria, namely if the total benefits gained exceed the total costs incurred, such that, in theory, those who suffer losses can be compensated by those who benefit (Mukoyama, 2023). In the application of SCBA, all measurable impacts—both direct and indirect—associated with a policy or project are classified and monetized as costs and benefits over a specific time frame, typically covering the project's lifespan. This approach makes SCBA a comprehensive, transparent, and quantitatively data-driven decision-making tool (Boardman et al., 2018).

The concept of Social Cost-Benefit Analysis (SCBA) in Islamic economics is essentially an extension of social cost-benefit analysis that is oriented not only toward economic efficiency but also toward the achievement of *maqāsid al-sharī'ah* (the objectives of Sharia). In conventional economics, SCBA generally evaluates projects based on net social benefit through a utilitarian approach. Meanwhile, Islamic economics broadens the scope of analysis by incorporating moral and spiritual dimensions, distributive justice, environmental sustainability, and social responsibility as components of societal well-being (*ḥalāl*). Thus, a project is evaluated not only based on economic gains but also on its contribution to the public good.

The philosophical foundation of SCBA in Islamic economics stems from the concept of *maṣlahah*, which was developed by Abu Hamid al-Ghazali and later systematized by Abu Ishaq al-Shatibi through the theory of *maqāsid al-sharī'ah*. From this perspective, economic policy must uphold the primary objectives of sharia, namely the protection of religion (*ḥifẓ al-dīn*), life (*ḥifẓ al-nafs*), reason (*ḥifẓ al-'aql*), lineage (*ḥifẓ al-nasl*), and wealth (*ḥifẓ al-māl*), as well as the environment (*ḥifẓ al-bi'ah*) and society (*ḥifẓ al-ummah*). Therefore, social costs in Islam encompass not only material losses but also moral, social, and ecological harms that disrupt the public interest. One of the principles of Islamic law (*qawā'id fiḥriyyah*) relevant to the concept of externalities in SCBA is the principle of “*la dharar wa la dhirar*”—that is, no action should cause harm (*mafsadah*) to oneself or others. This principle serves as a far stronger normative foundation than the concept of externalities in conventional economics, as it is a moral imperative rather than merely a consideration of efficiency.

SCBA in Islamic economics is also closely linked to the concept of sustainability. Humans are viewed as *khalīfah* on Earth, entrusted with the responsibility of maintaining environmental balance. This perspective makes ecological costs—such as excessive resource exploitation and ecosystem damage—an important part of Islamic social cost-benefit analysis. In this context, the Islamic principle of sustainability aligns strongly with the Sustainable Development Goals (SDGs), particularly the goal of responsible consumption and production.

### 4. Conceptual Intersection: Halal-Thayyib Tourism, SDG 12, and SCBA

A literature review indicates that Sustainable Development Goal (SDG) 12 is fundamentally aligned with the values of sustainability and environmental stewardship in Islamic teachings. The overlap between halal tourism and SDG 12 (Responsible Consumption and Production) is becoming increasingly relevant, as both emphasize responsible consumption and production. Tourism consumption behaviors that encourage *tabzīr* (wastefulness) and *israf* (excess) are strictly prohibited, as these are the root causes of food waste in Bandung's culinary tourism destinations. Within the SCBA framework, when the halal tourism industry disposes of food scraps from hotel buffets or single-use plastic packaging into the environment without proper processing, it is creating External Costs for the public (Mishan, 2021). From the perspective of product substance, this constitutes “incomplete halal” because it violates the “*thayyib*” principle, thereby harming macro-level social welfare. Therefore, macro-level legal intervention is needed to compel market actors to pay for these externalities.

Within the SCBA framework, halal tourism allows for the identification of positive externalities—such as the preservation of cultural values, the empowerment of Muslim communities, and social inclusion—which are often overlooked in purely financial analyses. SCBA quantifies social benefits, such as the creation of inclusive jobs, as well as environmental costs, thereby providing empirical evidence on whether the development of halal tourism yields a positive net social benefit that aligns with the principles of Sustainable Consumption and Production (Jaelani & Kusumaningtyas, 2025).

The integration of these three elements is further highlighted in Target 12.b of SDG 12, which calls for the development of tools to monitor the impact of sustainable tourism that creates jobs and promotes local culture and products. Halal tourism, with its Sharia certification and standards, can serve as a model for these monitoring tools, while SCBA provides a quantitative methodology to assess the success of its implementation in tourist destinations.

## 5. SCBA Component Matrix for the Halal Tourism Sector in Bandung

The Social Cost-Benefit Analysis (SCBA) component matrix presented in Table 1 comprehensively maps the distribution of social costs and social benefits arising from the halal tourism ecosystem in Bandung. This approach separates impacts into private (internal market) and external (social-environmental) components to identify points of market failure.

**Table 1. SCBA Component Matrix for the Halal Tourism Sector**

| Aspect                                                              | Social Costs                                                                                                                     | Social Benefits                                                                                                                                  | Related SDG 12 Targets                                                                 |
|---------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| <b>Supply Side (Tourist Attractions, Hotels, Halal Restaurants)</b> | • Private Cost: Cost of separating organic and inorganic waste                                                                   | • Reduction in raw material costs due to portion efficiency (anti-waste).                                                                        | Target 12.3: Reduction of food Waste                                                   |
|                                                                     | • Opportunity Cost: Allocation of space for individual composters.                                                               | • Premium “Halal-Green” branding in the global                                                                                                   | Target 12.b: Monitoring tools for sustainable tourism.                                 |
| <b>Demand Side (Tourists)</b>                                       | • Convenience Cost: The requirement to carry eco-friendly containers.<br><br>• Additional cost in the form of a Green-Halal Fee. | • Spiritual satisfaction from fulfilling the duty of stewardship of the earth (khalifah fi al-ardh) and protecting the environment (hifz bi’ah). | Target 12.8: Ensuring the public has information and awareness regarding conservation. |
| <b>Government &amp; Public (External)</b>                           | • Costs associated with enforcing halal-green certification.<br><br>• Pollution externalities from unmanaged tourism waste.      | • Savings in the local government budget for landfill quotas.<br><br>• A clean and hygienic urban environment in Bandung.                        | Target 12.5: Reduce waste generation through recycling.                                |

The current imbalance in governance causes the external sector (the local community and the Bandung City Government) to bear highly asymmetrical external costs. While the halal tourism industry exploits the aesthetics of the city of Bandung for economic gain but dumps its waste into the public system, the local community must bear the burden of deteriorating health due to odor pollution, sanitation problems, and the risk of flooding caused by drainage channels clogged with tourists’ packaging waste (Wiratma & Setiawan, 2024). On the other hand, the Bandung City Government faces a surge in public expenditure from the Regional Budget (APBD) to fund the logistics of transporting waste to the increasingly critical regional landfill.

Through the restructuring of macroeconomic policies that internalize these external costs, massive net social benefits can be realized. Reducing tourism waste at the source will significantly lower the operational burden on the Bandung City Budget, enhance the urban environment’s carrying capacity, and ensure the long-term sustainability of the tourism sector’s Gross Regional Domestic Product (GRDP) (United Nations, 2015). Space

savings at regional landfills resulting from the successful implementation of SDG Target 12.5 (reduction and recycling) will ultimately shift Bandung City's economic position from one that previously incurred a net social cost to a sustainable social welfare surplus.

## 6. Macro Policy Analysis: The Net Social Cost Dilemma in Bandung

Bandung City's current waste management policies (Local Regulation No. 9/2018 and Kang Pisman) have not yet integrated the concept of halal tourism into their operational strategies. The existing regulations are of a conventional administrative nature, lacking progressive sanctions specifically targeting the commercial tourism industry (Wiratma & Setiawan, 2024). As a result, halal-certified hotels or Muslim-friendly restaurants in Bandung continue to generate high volumes of food waste during every holiday season without facing significant legal consequences or additional financial burdens. From the SCBA perspective, this ecosystem generates a high Net Social Cost because the short-term economic benefits enjoyed by the tourism industry come at the expense of a decline in the quality of the living environment for local residents of Bandung. This situation hinders progress toward achieving SDG 12.

From a theoretical perspective of environmental economics, the Net Social Cost dilemma occurring in the city of Bandung can be analyzed in greater depth using the local welfare model. The welfare or utility of the local community in a tourist destination depends heavily on the level of private consumption, the number of tourist visits, and—most crucially—the environmental quality of the destination itself, including cleanliness (Meleddu, 2014). When the volume of Muslim tourist arrivals in Bandung surges uncontrollably on weekends (overtourism) and is not balanced by adequate waste management, the accumulation of trash drastically degrades environmental quality. This decline in aesthetic quality and cleanliness causes a sharp drop in the utility and well-being of the local population. Therefore, achieving optimal social conditions requires bold macro-level policies to proportionally limit the number of tourists and make massive investments in the quality of facilities and the cleanliness of the destination (Schubert & Schamel, 2020). To this end, the Bandung City Government needs to intervene at this social optimum point, as the economic surplus from tourism is currently enjoyed solely by business operators, while the negative environmental impacts are borne entirely by local residents as third parties.

These Net Social Cost consequences can actually be mitigated if macro-level policies for halal tourism in Bandung City explicitly mandate the application of Circular Economy (CE) principles and the zero-waste concept on the supply side. Empirically, the implementation of CE and zero waste has proven effective in reducing negative environmental externalities, while simultaneously increasing the profitability of tourism businesses through operational cost savings and opportunities for premium pricing for segments of tourists who are highly concerned about environmental sustainability (Mdoda et al., 2024; Rojabi et al., 2020; Strippoli et al., 2024). The absence of binding regulations requiring halal industry players in Bandung to adopt circular supply chains has prevented this potential “double dividend” from being realized, causing the industry to continue operating linearly and exacerbating negative externalities.

## Integration of the Thayyiban Principle into Controlling Externalities Based on Structural and Green Fiscal Regulations

To support SDG 12 in the development of halal tourism, a reorientation of macro strategies has been formulated through the following two pillars of mandatory policies:

### 1. Implementation of the Pay As You Throw (PAYT) Scheme and Reform of the “Halal-Thayyib” Certification (Supply Side)

The Bandung City Government is advised to change the flat-rate fee system for businesses in the halal accommodation and food and beverage industries to a variable rate based on the volume or weight of waste. Businesses that generate organic waste exceeding the quota threshold must pay a progressive pollution tax. In addition, the Bandung City Government, together with relevant agencies, must reform local-level halal tourism criteria by mandating circular economy compliance (meeting SDG Target 12.3) as a prerequisite for the renewal of tourism business licenses and local halal certification. This legal and fiscal strategy compels the industry to directly bear the private costs of waste management (internalization of costs).

### 2. Active Participation in the Halal Lifestyle While Traveling (Demand Side)

On the demand side, tourists voluntarily sort their own waste (for example, separating organic food scraps from inorganic waste such as plastic bottles) at designated areas provided by halal restaurants or hotels in Bandung. They also practice the principle of “finish your food” to reduce food waste, which is one of the largest contributors to the Net Social Cost in the culinary sector. In addition, tourists can use their purchasing power to support and choose accommodations and dining options that have demonstrated effective waste management.

Travel experiences that involve environmental conservation create a stronger emotional connection. Today's travelers place greater value on destinations that embrace sustainability principles. This direct involvement provides a unique sense of satisfaction that encourages them to return (Darmayasa et al., 2025; Opod et al., 2025; Pramono et al., 2025).

### 3. Challenges and Opportunities for Strategies to Control Externalities in the City of Bandung

This strategy for controlling externalities faces major challenges, including low awareness among tourism stakeholders, limited waste management infrastructure, and inter-regional coordination. Low environmental literacy among some halal tourism business operators means that waste reduction practices have not yet become a priority in the operational activities of tourist destinations, hotels, restaurants, or souvenir centers. This situation is exacerbated by the high intensity of tourist consumption, which generates increased volumes of plastic waste, food scraps, and single-use packaging waste. On the other hand, limited integrated waste management facilities, a lack of recycling technology, and a weak source-separation system pose structural barriers to achieving sustainable consumption and production patterns, as emphasized in SDG 12. Coordination issues among regions in the Greater Bandung area also lead to disparities in environmental management policies, particularly because tourism activities span administrative boundaries, meaning that the resulting ecological impacts cannot be addressed in isolation by a single region.

From an Islamic economic perspective, these challenges indicate that the principles of *maslahah* (public interest), *mizan* (balance), and the prohibition of *israf* (excess) have not yet been optimally implemented in tourism-related economic activities. Halal tourism is fundamentally not only oriented toward ensuring the halal status of products and services but must also reflect ecological responsibility as part of humanity's mandate as stewards of the earth. Therefore, strengthening ecological awareness based on Islamic values is essential through education on sustainable tourism, certification of eco-friendly destinations, and the integration of eco-Islamic values into the governance of halal tourism. This approach can expand the meaning of "halal" from mere Sharia compliance toward a concept of *halalan thayyiban* that encompasses the dimensions of environmental sustainability and social well-being.

Opportunities for policy development remain wide open, given that Bandung is known as a creative city, a hub for tourism innovation, and one of Indonesia's leading halal tourism destinations. This position enables Bandung to pioneer the concept of "Green Halal Tourism," which integrates environmental sustainability principles with Sharia values. The development of this model can be achieved through the implementation of a circular economy in the tourism sector, the use of eco-friendly local products, the digitization of tourism services to reduce waste, and the strengthening of collaboration among the government, businesses, communities, and religious institutions. In addition to enhancing the destination's competitiveness, this strategy also has the potential to differentiate Indonesian halal tourism on a global scale, particularly amid the growing preference among Muslim travelers for destinations that are not only Sharia-compliant but also focused on environmental sustainability and social responsibility.

Tourism activities do not automatically lead to environmental damage. The tourism sector can make a significant positive contribution to sustainable development overall, provided it is supported by strong environmental policies, adequate infrastructure, clean governance, and a focus on low emissions (Kuri et al., 2024; Mishra et al., 2025; Sun et al., 2023). It is in this context that the role of policy deconstruction based on the Sustainable Development Goals (SDGs) becomes a crucial instrument. The SDG framework, particularly SDG 12 (Responsible Consumption and Production), has been shown to function as a moderating variable in the relationship between economic growth and tourism demand (Liu et al., 2025; Sun et al., 2023). The implementation of SDG 12-based policy moderation will ensure that every aspect of economic growth and the expansion of halal tourism demand in Bandung does not sacrifice or damage the city's ecological carrying capacity. The principles of *maqashid syariah* reinforce and strengthen the need to maintain a balance between social costs and social benefits across the supply, demand, and external aspects of halal tourism.

## Conclusion

This literature review shows that the transformation of halal tourism in Bandung City toward achieving SDG 12 requires firm and binding macro policy interventions. Through SCBA analysis, it was found that the lack of integration of the *thayyib* (ecological) principle into mandatory halal tourism regulations triggers a Net Social Cost that burdens the regional fiscal capacity and the environmental rights of Bandung's local citizens. Externalities control strategies cannot be left to voluntary awareness; instead, they must utilize a combination of strict regulatory instruments (command-and-control) and green fiscal tools. Implementing variable PAYT retribution rates for the supply side and fostering active tourist participation in a halal lifestyle while traveling for the demand side offer solutions to ensure tourism production and consumption patterns in Bandung operate responsibly for long-term public welfare.

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