

CHAPTER I

INTRODUCTION

A. Background

Indonesia is the world's largest Muslim-majority country, with Muslims making up around 87% of the total population of more than 270 million. As a developing country with a large population, Indonesia certainly has some significant challenges in the country's growth, one of which is inequality in the distribution of income and wealth.¹ Meanwhile, poverty, according to Ades, is allegedly one of the factors inhibiting the country's economic growth.²

In March 2024, the national poverty rate in Indonesia was recorded at 9.03%. This figure represents a decrease of 0.33% compared to March 2023 and a decline of 0.54% compared to September 2022. The number of people living in poverty in March 2024 was recorded at 25.22 million, a reduction of 0.68 million compared to March 2023 and a decrease of 1.14 million compared to September 2022.³ Data sourced from the poverty profile report in Indonesia March 2024 by the Central Bureau of Statistics, shows that the percentage of poverty and the number of poor people nationally have relatively decreased.

While the percentage of poverty in the Ogan Ilir Regency area in 2023 was 13.28%, this number increased by 0.95% from the percentage in the previous year which was 12.33%, compared to the previous two years the figure decreased by

¹ Syaiful Anwar, "Peluang Dan Tantangan Pertumbuhan Ekonomi Di Negara Berkembang," Kompasiana.com,[21.50].<https://www.kompasiana.com/syaifulanwar2876/664b0dd4c57afb20b1782b92/peluang-dan-tantangan-pertumbuhan-ekonomi-di-negara-berkembang.>> viewed on 12 December 2024

² Ades Sugita, "Analisis Peranan Pengelolaan Dana Ziswaf Dalam Pemberdayaan Ekonomi Umat Pada LAZISNU Kabupaten Cirebon," *Jurnal Indonesia Sosial Sains*, Vol. 1, No. 1 (2020) p. 1.

³ Badan Pusat Statistik, "Profil Kemiskinan Di Indonesia, Maret 2024" (Jakarta, 2024), p.3.

0.54% in this case it raises the question, why the increase in the percentage of poverty while the national percentage has decreased? Indonesia as a Muslim country with a significant population, has great potential in the collection and distribution of zakat to alleviate poverty, reduce economic and social inequality that exists in society.⁴ Prof. Dr. Waryono Abdul Ghafur, Director of Zakat and Waqf Empowerment at the Ministry of Religious Affairs (KEMENAG). said, “With the large resources, I am optimistic that the collection of zakat in Indonesia will continue to increase” The potential of zakat in Indonesia is currently estimated at Rp 327 trillion, a figure that can still increase even more.⁵



Figure 1. National Zakat Collection 2018-2025 Semester 1

Source: Indonesia Zakat Outlook 2024

According to data processed by BAZNAS, shows the increase in funds managed by BAZNAS from 2018 to 2023, showing a significant increase from year

⁴ Karmilah, “Peran Zakat Dalam Meningkatkan Kesejahteraan Ekonomi Masyarakat,” *Jurnal Nuansa Publikasi Ilmu Manajemen Dan Ekonomi* Vol.2 No.3, (2024), p. 359.

⁵ Moh Khoeron, “Potensi Mencapai 327 T, Ini Tiga Fokus Kemenag Dalam Pengembangan Zakat,” *Kemenag*, 2023, <<https://kemenag.go.id/nasional/potensi-mencapai-327-t-ini-tiga-fokus-kemenag-dalam-pengembangan-zakat-LobJF>> viewed on 24 November 2024.

to year, this indicates a positive trend in the level of public awareness of paying zakat is getting higher every year.⁶

In general, zakat is one of the most vital instruments in the Islamic economy, as it plays a role in improving the welfare of the people.⁷ Zakat is an economic instrument that functions to improve the welfare of the people by the words of Allah SWT in the Qur'an letter at-Taubah verse 60, which means; 'Indeed, the zakat is only for the poor, the poor, amil zakat, the mu'allaf who are persuaded, for (freeing) slave slaves, people in debt, for the way of Allah and for those who are on a journey, as a decree required by Allah, and Allah is All-Knowing and All-Wise.' From the Qur'anic verse above, Allah SWT has determined and regulated which groups of people are in need and distributed zakat to them.

The distribution of zakat that is right on target can contribute to empowering underprivileged communities and encouraging more inclusive economic growth. This is in line with what was conveyed by the Director of Zakat and Waqf Empowerment of the Ministry of Religion, Tarmidzi Tohor at the KEMENAG 2023 RAKORNAS in Jakarta, "The increase in ZIS fund collection certainly has a huge impact on socio-religious life, poverty alleviation, equitable development, human development, and economic growth."⁸

In Indonesia, zakat is managed by an institution established by the government but is institutionally and non-structurally independent from the government. The

⁶ Badan Zakat Nasional., *Outlook Zakat Indonesia 2024* (Jakarta: Pusat Kajian Strategis - Badan Amil Zakat Nasional (Puska Baznas), 2024), p.56

⁷ Elis Nurhasanah, "Efektivitas Penyaluran Dana Zakat Infak Dan Sedekah Pada Badan Amil Zakat Nasional (Periode Tahun 2016-2018)," *Jurnal Ekonomi Syariah*, Vol.6 No.1, (2021), p. 3

⁸ Fadli, "Gelar Rakornas Zakat 2023, Kemenag Ungkap Pengumpulan ZIS Capai 21 Triliun," at[12.52], <<https://dki.kemenag.go.id/berita/gelar-rakornas-zakat-2023-kemenag-ungkap-pengumpulan-zis-capai-21-triliun-SyRKA>> Viewed on 24 November 2024.

institution is Badan Amil Zakat Nasional (BAZNAS), which is directly responsible to the president through the Minister of Religious Affairs. BAZNAS was established based on a Presidential Decree in 2001. BAZNAS in its management has several levels, starting from the national, provincial to district and city levels, BAZNAS Ogan Ilir Regency is one of the institutions in charge of managing zakat at the district level, established in 2006, BAZNAS Regency, Ogan Ilir has several excellent programs such as: (1). house renovation (habitable houses) the number of houses renovated is currently as many as 104 houses, (2). ATM rice which is distributed in 6 sub-districts and distributed to the poor and needy, (3). educational assistance for underprivileged children who excel, (4). fees for health services and treatment, (5). assistance to communities affected by disasters such as floods and fires. (6). zakat distribution program for traditional Quranic teachers (7). business coaching money for the people of Ogan Ilir Regency who are micro and medium enterprises.⁹

The duties and authorities of BAZNAS in the management of zakat are listed in Law Number 23 Year 2011 on Zakat Management. BAZNAS is given the official authority to manage zakat nationally in Indonesia, but in addition to BAZNAS there are also private institutions that are authorised and have been granted operational licences as well, may manage, collect and distribute zakat. The number of BAZNAS and LAZ nationally is 662 in 2023.¹⁰ Amil zakat institutions must improve the effectiveness and efficiency of zakat management, so that its impact can be felt more broadly by the community, and help reduce poverty to create

⁹ BAZNAS Kabupaten. Ogan Ilir, “PROFIL BADAN AMIL ZAKAT NASIONAL KABUPATEN OGAN ILIR 2023 | BAZNAS OGAN ILIR” (Indralaya, 2023), <https://youtu.be/TopOeuqtQng?si=owCMWNBuPLoWZC6>.

¹⁰ Badan Zakat Nasional, Direktorat Kajian dan Pengembangan ZIS DSKL Nasional, *Outlook Zakat Indonesia 2023* (jakarta: Pusat Kajian Strategis – Badan Amil Zakat Nasional (Puskas BAZNAS), 2023), p. 3.

prosperity. This zakat management must be based on the principles of Islamic law, trustworthiness, benefit, justice, legal certainty, integration, and accountability. The purpose of zakat management based on these principles is in accordance with what is stated in articles 2 and 3 of Law Number 23 of 2011 concerning Zakat Management.¹¹

Increasing the effectiveness of the collection and distribution of zakat funds in BAZNAS can have a positive impact on the interest of muzakki to continue paying their zakat in the institution with a good credibility image, if the funds collected are more and continue to grow, the potential funds that will be distributed to mustahik will also be more, so that it will have an impact on the welfare of mustahik.¹² BAZNAS has a great responsibility to collect and ensure that the collected funds can be effectively distributed to those who are entitled to receive, namely mustahik. However, although BAZNAS has made various efforts in distributing zakat funds, there are still some fundamental questions regarding the effectiveness of the process.

Meanwhile, Mufti Afif's research, called zakat management, has several goals: first, the management of zakat must increase the effectiveness and efficiency of services; second, zakat instruments must be utilised, developed, and used to reduce poverty; and third, the need to increase the output and efficiency of zakat.¹³

¹¹ "UU Nomer 23 Tahun 2011".

¹² Hasan Mukhibad, Fachrurrozie Fachrurrozie, and Ahmad Nurkhin, "Determinants of the Intention of Muzakki To Pay Professional Zakat," *Share: Jurnal Ekonomi Dan Keuangan Islam* Vol. 8, No. 1 (2019), p. 45.

¹³ Mufti Afif, "Analysis of Zakat Management from the Perspective of Institutional Isomorphic Theorizing : Study at the Yatim Mandiri Zakat Institution in Indonesia" *Journal of Islamic Economics and Finance Studies*, Vol. 4, No. 2 (2023), p. 214.

In accordance with the research of Karmila Sari and Azhari Akmal Tarigan in the Journal of Islamic Economics and Business Studies, testing the effectiveness of the distribution of zakat funds in BAZNAS is very important to understand and study the actions and behaviour of managers and administrators of zakat institutions through ACR (Allocation to Collection Ratio). The distribution of zakat to mustahik must be carried out in accordance with Islamic law and based on a priority scale, taking into account the principles of equity, justice, and territoriality.¹⁴ Measuring the effectiveness of an optimal distribution programme requires accurate, transparent data and thorough analysis. This is important to evaluate whether the distribution of zakat funds in BAZNAS is in accordance with Islamic principles, run honestly, effectively, and able to have a significant impact on improving the welfare of mustahik.

In accordance with the background of the above problems, this encourages this research to understand the extent to which the effectiveness of zakat distribution in the National Amil Zakat Agency of Ogan Ilir Regency with the title EFFECTIVENESS OF ZAKAT DISTRIBUTION: STUDY ON BAZNAS OGAN ILIR REGENCY

B. Problem Formulation

The problem formulation in this study is as follows:

1. How is the effectiveness of zakat distribution at BAZNAS Ogan Ilir Regency?
2. How are the supporting and inhibiting factors in the distribution of zakat in the BAZNAS Ogan Ilir Regency?

C. Research Objectives

The objectives of this research were carried out as follows::

¹⁴ Nur Afni, "Manajemen Dan Pendistribusian Zakat Dalam Upaya Peningkatan Kesejahteraan Sosial Masyarakat," *Moderasi: Jurnal Studi Ilmu Pengetahuan Sosial* Vol. 1, No. 2 (2021), p. 34–50.

1. To find out the effectiveness of zakat distribution in Baznas Ogan Ilir Regency?
2. To find out the supporting and inhibiting factors in the distribution of zakat in BAZNAS Ogan Ilir Regency?

D. Research Benefits

1. Academic Benefits

This research is expected to contribute scientific knowledge to academics, become references and development for further research.

2. Practical Benefits

This research is expected to be a benchmark for consideration and assessment in carrying out the programmes of amil zakat institutions, especially to BAZNAS Ogan Ilir Regency in achieving the success of all designed programmes.