

Mustahiq Economic Empowerment Model Through Productive Zakat as Business Capital

Azizah Khoirotun Nisa¹, Sufyati HS²

{azizah.khoirotun@upnvj.ac.id¹, sufyati@upnvj.ac.id²}

Universitas Pembangunan Nasional Veteran Jakarta^{1,2}

Abstract. Productive zakat is zakat given to mustahik as capital to carry out an economic activity, namely to develop the economic level and productivity potential of mustahik. Zakat in which the assets or zakat funds given to mustahik are not spent but are developed and used to help their business, so that with this effort, they can continuously meet the needs of life. The object of this research is productive zakat. This study aimed to identify the effectiveness of the distribution of productive zakat in the form of business capital assistance to mustahik carried out by BAZNAS Depok City. This study uses a qualitative descriptive method with data sources in primary and secondary data with technical data analysis, including the stages of reducing, presenting and verifying data. Data collection was obtained through observation interviews and documentation. The results show that productive zakat as business capital carried out by BAZNAS Depok City is effective in empowering the mustahiq economy and can create jobs.

Keywords: Business capital, effectiveness, empowerment, productive zakat

1 Introduction

Zakat comes from the word "zaka" which means holy, developing, blessing, good, and growing. Zakat is a source of funds used to promote the welfare of society. Zakat is the third pillar of Islam, it is an obligation given to Muslims if they have reached the specified conditions. Zakat is paid to be later given to the group who is entitled to it (asnaf). (Santoso & Agustino, 2018). Zakat recipients must comply with the criteria outlined in Q.S At-Taubah - 60. The groups that are eligible to receive zakat are the Fakir i.e. those who are in need but choose not to beg, Poor i.e. individuals who are in need but whine and beg, *'Amil* people who collect and distribute zakat, *Mu'allaf* is a new Muslim with weak beliefs, Riqab is a slave who wants to be free from his master, *Gharimin* is someone who owes a debt on conditions, not because of maximalism, and is unable to pay back his obligations, *Fi Sabilillah* or for the sake of all Muslims, not for personal gain and lastly Ibn Sabil is a traveler who runs out of money or shopping along the way, maybe due to loss of money or other circumstances.

Based on data disclosed by BAZNAS in Zakat Potential Mapping Indicators in 2019, the potential for national zakat in Indonesia in 2020 will reach IDR 327.6 trillion per year. The

magnitude of this potential is monitored from the growth of zakat collection every year. According to the National Zakat Statistics (2019) data, during the last 3 years, from 2015 to 2018, zakat receipts increased sharply by 122% or approximately Rp. 4.5 trillion. (Puskas BAZNAS, 2021). Meanwhile, the national zakat collection amounted to 10.227 trillion in 2019, which means that it is only 4.6% of the national zakat potential. Depok City itself According to data disclosed by BAZNAS Depok City in the form of ZIS Statistics for Depok City, there were 26,806 Muzaki with collected ZIS funds of 18,609 billion rupiahs, while the total distribution was 17,827 billion rupiahs with ZIS recipients of 68,377 Mustahik. (BAZNAS Kota Depok, 2022). The vast difference between the zakat collected and the potential for zakat, this indicates that currently the collection of national zakat funds is not optimal and there is still a lack of involvement of the Muslim community in paying zakat. (Afiyana et al., 2019).

The Poverty Rate in March 2020 increased compared to 2019, from 9.78 percent in 2019 to 10.17 percent in 2020. Thus, the number of poor mustahik that must be handled by OPZ increased (Puskas BAZNAS, 2022). In Islam, one of the efforts in reducing and alleviating poverty is the existence of zakat where zakat serves to distribute wealth evenly. The distribution of zakat for the underprivileged is not only used to cover their consumptive needs, but more than that, the essence of zakat itself is not only to fulfill their consumptive needs, but also to fulfill other life needs such as housing, education and clothing. This is where the pattern of distribution of zakat for mustahiq is not only consumptive but also productive (Mulyana, 2020).

The largest allocation of zakat funds is for economic activities, the proportion reaches 42 percent of the total disbursed funds. The second largest proportion is disbursement to the education sector, which is 20% of the total funds. Furthermore, for the health sector, the proportion of zakat funds distribution is 16 percent of the total funds. Furthermore, distribution for the field of da'wah and social humanity has the same proportion, namely 11 percent of the total funds disbursed (Badan Amil Zakat Nasional, 2020). The main focus of BAZNAS at this time is reducing poverty by empowering the mustahiq economy.

Empowerment is defined as an activity to give strength to a weak group/individual where the group/individual does not yet have the power/strength to live independently, such as not being able to meet the basic needs/basic needs of their daily life, especially in the areas of food, clothing, shelter. / dormitory, education and health (Hamid, 2018). Community economic empowerment is designed to encourage people to develop their human resources in various circumstances and situations. Zakat assets must be considered as revolving fund capital that must be channeled into productive businesses to ensure the survival of businesses carried out in the people's economic sector (Fordebi & Adesy, 2017).

The distribution of zakat is divided into two forms, namely productive zakat and consumptive zakat. Consumptive zakat is zakat given to those who are unable and in dire need directly, such as the poor to meet their daily needs, both food, clothing, and housing (clothing, food, and housing). (Safradji, 2018). While productive zakat is money or property given to Mustahiq which is not wasted but is cultivated and used to help his company meet the basic requirements. (Safradji, 2018).

Business capital is money that is intended as principal (parent) capital in doing business, spending money, etc. Capital is an asset such as goods or money that can be used to produce production goods to increase wealth (Listyawan, 2011). Zakat as business capital is a zakat fund where mustahiq get a source of income or as capital for mustahik. In the use of zakat funds for production activities, the procedures are also regulated in the Act (Bahri & Oktaviani, 2018). These rules are regulated in Law Number 23 of 2011, in Chapter V article 29, namely: in the use of zakat for productive activities, zakat institutions carry out feasibility studies, determine the type of production business, carry out guidance and consultation, carry out supervision and control as well as evaluate and make a report (Undang-Undang Republik Indonesia Nomor 23 Tahun 2011 Tentang Pengelolaan Zakat, 2011).

Effectiveness is defined as a form of success of an activity that matches the target or purpose of the activity. In other words, if an activity can be completed in a timely manner and can achieve the goals as planned, the activity can be said to be effective. (Nafi', 2020). Measurement of effectiveness according to Budiani 2007 there are four indicators, namely the accuracy of program targets, namely the extent to which program participants are in line with predetermined goals. second is Program Socialization, namely the ability of program implementers to socialize the program in order to communicate information on program implementation to the general public and program participants. Third, Program Objectives, namely the extent to which the results of the program implementation are matched with the program objectives that have been previously determined. Fourth, Program Monitoring is an activity that is carried out after the implementation of the program as a form of attention to program participants (Budiani, 2007).

BAZNAS Depok City in 2021 held a Business Empowerment Festival. In the business empowerment program, the beneficiaries not only receive business capital assistance, but the beneficiaries also receive training and assistance to optimize the businesses run by the beneficiaries. The total business assistance provided is one billion rupiah to 450 beneficiaries. (BAZNAS Kota Depok, 2021). Depok City BAZNAS has several productive zakat distribution programs which in this study will focus on the effectiveness of the business capital assistance program carried out by Depok City BAZNAS..

In some previous studies, there is still no research on the mechanism for distributing productive zakat as business capital to empower the economy carried out by BAZNAS Depok City. The purpose of this study was to determine the effectiveness of the distribution of productive zakat as business capital carried out by BAZNAS Depok City as a mustahiq economic empowerment model.

2 Methods

This study uses a research method that is descriptive qualitative research method using a case study approach to the BAZNAS business capital assistance program Depok City. The object of this research is the effectiveness of the business capital assistance program. Data obtained from primary data and also secondary data. Primary data obtained through interviews and also

observation. Secondary data was obtained through reports on the distribution of zakat baznas in Depok. Data collection and processing techniques include interviews, observation and documentation with three stages of data analysis, namely data reduction, data presentation, and data verification. The data validity technique used the triangulation technique of data sources, namely comparing statements from BAZNAS Depok City with Baznas Partners to beneficiaries.

3 Result and Discussions

3.1 Distribution of Productive Zakat as a Business Capital at BAZNAS Depok City

BAZNAS Depok City in carrying out its function, namely distributing zakat funds that have been collected, has 5 five program pillars in which there are derivative programs that will be distributed to zakat mustahiq as follows:

Depok Smart, is a pillar of the Depok City BAZNAS program that focuses on helping people who are classified as ashnaf zakat related to educational problems. Depok Smart has 3 programs, namely educational assistance for the new school year, scholarships for the poor, and free tutoring

Depok Healthy, namely the distribution of zakat through the health sector. The goal of the Depok healthy program is to help underprivileged people get easy and affordable health services. This pillar has 5 programs, namely health services, health social services, mobile healthy cars, mass circumcision, and direct health assistance.

Depok Care, is a Depok City BAZNAS program in the humanitarian field. Depok care has 5 programs, namely, the Humanitarian Program, Zakat Community Development (ZCD), Care for the Environment, Shelter House, and Home Renovation..

Depok prosperous, is a Depok City BAZNAS program that functions to help zakat ashnaf, especially the poor, improve their welfare. Depok City BAZNAS provides productive financing assistance to mustahiq in an effort to develop the mustahiq economy or business. There are 6 pillars of Depok prosperous namely, business guidance and assistance, business capital assistance, business facilities assistance, independence assistance, direct economic assistance, livestock capital assistance

Depok Taqwa, is a Depok City BAZNAS program in the field of religious symbols. Depok Taqwa has 6 programs, namely, Tahfidz House for the poor, Islamic syiar assistance, Koran teacher/DKM, Ramadhan Program, Cadreization of Da'wah Interpreters, Braille Al-Quran Waqf, Donations to Orphans

The Business Capital Assistance Program is one of the flagship programs of the Depok City BAZNAS. This program is part of the Depok Sejahtera pillar. This program aims to improve the welfare of the community where to achieve these goals there are 3 goals that become benchmarks in the Depok City Baznas, namely:

Economic improvement, namely that the beneficiary's economic needs are fulfilled and can help return such as giving infaq and alms.

Increased religiosity, namely the beneficiaries increase in terms of their spirituality in worship and fulfill their obligations as well as possible as Muslims.

Social functioning, namely the beneficiaries can have and increase their empathy to help and share with other communities in need.

Tabel 1. Distribution for Zakat Utilization 2017-2020 (million Rupiah)

| Distribution | 2017 | 2018 | 2019 | 2020 |
|----------------------|---------|---------|---------|---------|
| five program pillars | 1.048,3 | 2.410,6 | 3.689,8 | 3.814,9 |
| Depok prosperous | 129,8 | 526,0 | 486,6 | 146,0 |
| Utilization zakat | 68,0 | 496 | 924,8 | 1.072,6 |

Distribution of zakat in 2021 The business capital assistance program is included in the pillars of the prosperous Depok. Where this empowerment model is carried out so that Mustahiqs develop their businesses in order to support the family economy. Efforts that have been made by BAZNAS Depok City in empowering the community's economy are by providing productive business capital. Where the provision of business capital assistance is expected to be able to help mustahiq to develop their business according to their skills and what they want to do.

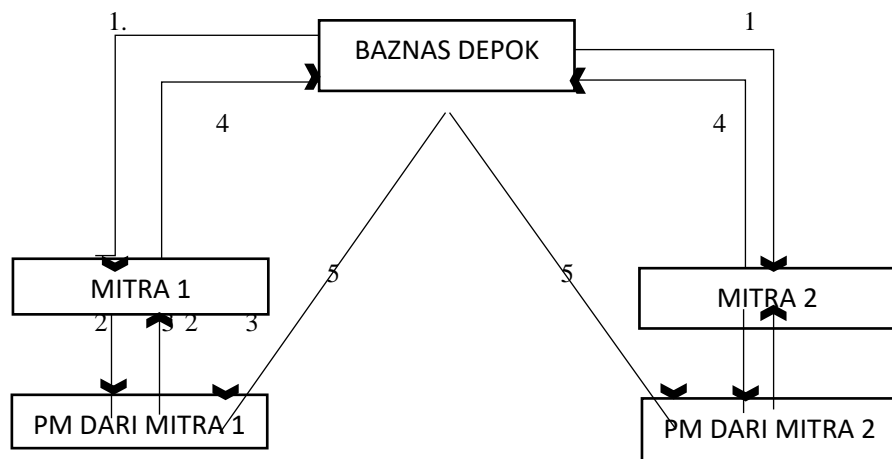


Fig. 1. Business Capital Program Mechanism

The mechanism for distributing productive zakat as business capital at BAZNAS Depok City : **BAZNAS signs a cooperation to provide business capital with partners for a period of 1 year.** partners are given a quota of beneficiaries by Baznas which will be provided

with business capital by. after the determination of the beneficiaries by the partner where the Partner conducts a service to verify the beneficiaries to comply with the zakat ashnaf, after that Baznas provides zakat money which will be distributed to the beneficiaries to partners.

Partners distribute zakat funds from the Depok City Baznas according to the RAB previously submitted by the beneficiary. The amount is around 2-3 million per beneficiary. Partners also provide assistance in the form of training related to business development, Islamic studies, and monitoring the development of mustahiq businesses.

Beneficiaries report once a month to partners in the form of net profit from their business. The beneficiary also provides a purchase receipt to the partner.

Partners report to Baznas regarding beneficiaries in terms of reporting on business activities, spiritual activities, and social activities of beneficiaries.

Baznas conducts a study of the impact of zakat to carry out supervision and evaluate programs

3.2 The Effectiveness of the Depok City BAZNAS Business Capital Program

According to Budiani (2007) there are four indicators of effectiveness measurement, namely the accuracy of program targets, program socialization, program objectives, and program monitoring (Budiani, 2007). Target accuracy of the program is that zakat recipients must comply with the criteria described in Q.S At-Taubah Verse 60. The groups who are entitled to receive zakat according to the verses of the Qur'an are the poor, poor, amil, converts, riqob, ghorimin, fii sabilillah, ibn sabil. In addition, zakat funds cannot be used except for those not mentioned in the verse.

Based on the results of the research conducted on the beneficiaries, it was found that the BAZNAS Depok City Business Capital Assistance Program was given to mustahiq who were classified as underprivileged and lacking in meeting the economic needs of their families. Zakat funds distributed by BAZNAS Depok City are distributed to Mutahiq in the ashnaf zakat. In its implementation, BAZNAS Depok City provides business capital assistance to mustahiq in the poor category who need capital to run their business. In this program, BAZNAS Depok City prioritizes mustahiq who already have a business but cannot provide for their family with this business. BAZNAS Depok City carried out two verifications to ensure that this program was given to the right beneficiaries and in accordance with Islamic law that regulates mustahiq. BAZNAS Depok City in distributing zakat funds for business capital assistance programs in collaboration with partners, where partners will carry out phase 1 verification of the determination of prospective beneficiaries.

The socialization of the program as one of the indicators of effectiveness according to Budiani is the ability of the program implementer to socialize the program to the community. In order to communicate information on program implementation to the general public and program participants related to productive zakat as a provision of business capital, BAZNAS of Depok City has carried out.. Socialization of productive zakat is carried out through official social

media and other electronic media such as electronic newspapers and print newspapers. The socialization of the program aims to provide information to the wider community that BAZNAS Depok City has a productive zakat program in the form of business capital assistance in an effort to empower the mustahiq economy. In addition, through direct socialization carried out by BAZNAS leaders in mosques, UPZ, etc. In addition the socialization of this program was also carried out by partners working with the BAZNAS Depok City. Through their social media, or through partners in charge of each sub-district in Depok City. Where each person in charge carries out direct socialization in their respective environments to inform the community about this program.

The BAZNAS Depok City Business Capital Assistance Program aims to increase the welfare of the community with the hope that the beneficiaries who have been assisted and fostered by training can level up to become muzzaki where to achieve this goal there are 3 goals that become benchmarks in the BAZNAS Depok City, namely: economic improvement, increased religiosity and social functioning.

Economic Improvement. Economic improvement is marked by the fulfillment of the economic needs of the beneficiaries and even the beneficiaries can set aside their income to save. In an effort to achieve this goal, BAZNAS Depok City together with partners provide assistance in the form of training once a month for beneficiaries to be able to improve their business and provide skills. The training provided every month by Baznas with partners such as training on food preservation and packaging, making organic tempeh, accurate marketing methods, financial management, smartphonegraphy, etc. In addition to regular training every month, Mentoring is also carried out through direct visits to the homes of the beneficiaries to monitor and see the progress of the beneficiaries. The results showed that the beneficiaries in terms of their business activities increased, net income also increased compared to before.

The economic improvement of these beneficiaries is indicated by 110 beneficiaries with Muktafi status (beneficiaries are able to meet their own needs) and 1 beneficiary who has muzzaki status from 1,678 mustahiq who are included in BAZNAS Depok City zakat utilization program.

Increase in Religiosity. The beneficiary in terms of his spirituality increases in worship and fulfills his obligations as well as possible as a Muslim. In an effort to achieve this goal, BAZNAS Depok City together with partners hold monthly meetings to conduct studies to increase the religiosity of the beneficiaries. The results showed that the beneficiaries who previously were not diligent in performing their worship such as reading the Koran became routinely read it every day.

Social Functions. Beneficiaries can have and increase their empathy to help and share with other communities in need. In an effort to achieve this goal, BAZNAS and partners enforce an infaq piggy bank for beneficiaries who have increased their business and are able to donate. The results of the study show that the beneficiaries are aware of the importance of giving infaq where from this infaq they can help other people who also have difficulty in meeting their daily needs.

In knowing the success of the productive zakat program in the form of business capital assistance in the city of Depok, the management of BAZNAS Depok City monitored the program in the form of supervision and evaluation of the distribution of productive zakat that had been done previously. This stage has an important role in achieving the goals of the planned program. One of the efforts made by BAZNAS Depok City is monitoring the development of mustahiq who receive zakat funds for business capital. Where in practice, BAZNAS Depok City has carried out 2 times controlling supervision. This monitoring is carried out every 3 months. The first supervision is carried out by baznas partners by conducting direct surveys to beneficiaries which was previously conducted online via zoom.

Supervision of mustahiq begins with reporting the purchase note after the granting of business capital. This note contains any goods or materials purchased by the beneficiary. This is done to monitor whether the money was actually purchased for business purposes or not. Furthermore, the beneficiaries report regularly once a month regarding the net profit from their business to BAZNAS Partners. The results showed that BAZNAS carried out 2 times of monitoring where after data from partners was sent to Baznas, Baznas for one year held a zakat impact study where Baznas conducted random sampling of beneficiaries to see whether the beneficiary's businesses increased or there was something that needed to be evaluated by Baznas. for distribution for the next period.

3.3 Constraints of BAZNAS Depok City in implementing the Business Capital Program

There are several obstacles experienced by the BAZNAS Depok City in carrying out the distribution for this business capital program, including there are still mustahiq who after being given business capital assistance by BAZNAS but the money used is not used to buy for the purposes of increasing their business, however, it is used to buy daily necessities from the beneficiary. There are also beneficiaries who do not regularly participate in the training that has been prepared by BAZNAS and partners aimed at improving their business. this resulted in a lack of knowledge of financial management and also business management so that the business being carried out was not able to increase compared to the previous one. Therefore, the importance of socialization related to this program so that the zakat money can be delivered to the beneficiaries so that the zakat funds intended for productive activities will run according to its function, namely to make zakat funds productive in productive business activities.

4 Conclusion

The distribution of productive zakat as business capital carried out by BAZNAS Depok City is quite effective in empowering the mustahiq economy where this empowerment model is carried out so that mustahiq can develop their business in order to support the family economy. beneficiaries are provided with assistance and training to improve skills to support business improvement, although mustahiq has not yet achieved the goal of this program, which is to make mustahiq into muzzaki, but is able to improve the economy of the beneficiary. Productive zakat

which is distributed as Business Capital is able to increase the business of the beneficiaries, besides that it is also able to increase the religiosity and social functioning of the beneficiaries.

References

- [1] Afiyana, I. F., Nugroho, L., Fitrijanti, T., & Sukmadilaga, C.: Tantangan pengelolaan dana zakat di Indonesia dan literasi zakat. *AKUNTABEL: Jurnal Akuntansi Dan Keuangan*. Vol. 16(2), pp. 222–229 (2019)
- [2] Bahri, E. S., & Oktaviani, R.: Zakat Produktif Sebagai Modal Kerja Usaha Mikro. *Perisai : Islamic Banking and Finance Journal*. Vol. 2(2) (2018)
- [3] BAZNAS Kota Depok.: BAZNAS Kota Depok Membrosamai PEMKOT Depok Raih 4 Penghargaan dalam Penganugrahan BAZNAS JABAR 2021. <https://baznasdepok.id/baznas-kota-depok-membrosamai-pemkot-depok-raih-4-penghargaan-dalam-penganugrahan-baznas-jabar-2021/> (2021)
- [4] BAZNAS Kota Depok.: Statistik ZIS se Kota Depok. <https://baznasdepok.id/> (2022)
- [5] Budiani, N. W.: Efektivitas Program Penanggulangan Pengangguran Karang Taruna “Eka Taruna Bhakti” Desa Semerta Kelod Kecamatan Denpasar Timur Kota Denpasar. *Jurnal Ekonomi Dan Sosial Input*. Vol. 2(1), pp. 49–57 (2007)
- [5] Fordebi, & Adesy.: *Ekonomi dan Bisnis Islam : Seri Konsep dan Aplikasi Ekonomi dan Bisnis Islam*. Rajawali Press, Depok (2017)
- [6] Hamid, H.: *Manajemen Pemberdayaan Masyarakat* (T. S. Razak, Ed.). De La Macca, Makassar (2018)
- [7] Listyawan, A. N.: *Pengaruh Modal Usaha*. Pustaka Pelajar, Yogyakarta (2011)
- [8] Mulyana, A.: Strategi Pendayagunaan Zakat Produktif. *MUAMALATUNA*. Vol. 11(2) (2020)
- [9] Nafi', M. A. Y.: Analisa Efektivitas Penyaluran Zakat Baznas Kabupaten Kudus. *ZISWAF: Jurnal Zakat Dan Wakaf*. Vol. 7(2), pp. 151–165 (2020)
- [10] Puskas BAZNAS.: *Indonesia Zakat Outlook 2021*. Center of Strategic Studies, The National Board of Zakat Republic of Indonesia (Puskas BAZNAS), Jakarta (2021)
- [11] Puskas BAZNAS.: *Outlook Zakat Indonesia 2022* (2022)
- [12] Undang-Undang Republik Indonesia Nomor 23 Tahun 2011 Tentang Pengelolaan Zakat, (2011)
- [13] Safradji, S.: ZAKAT KONSUMTIF DAN ZAKAT PRODUKTIF. *Tafhim Al-'Ilmi*. Vol. 10(1) (2018)
- [14] Santoso, S., & Agustino, R.: *Zakat Sebagai Ketahanan Nasional*. Deepublish, Sleman (2018)