Puskas Working Paper Series

PWP# 2017 - 06

Evaluating the Productive-Based Zakat Program of BAZNAS: Case Study of Western Indonesia

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(April 2017)

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Abstract

This paper aims to measure the impact of zakat distribution which was performed by Indonesia National Zakat Board (BAZNAS). As state zakat institution, BAZNAS should have precise measurements related to the impact of the program which has been implemented. The measurement is intended to capture accurately the impact of the program for the prosperous of mutashik that it could use as an evaluation of the program designed by BAZNAS or other zakat institutions. The method used in this study is adopting a CIBEST model that was developed by Beik and Arsyianti (2015). This model is a quadrant model that combines the fulfillment of human needs that is both material and spiritual. The indices in CIBEST are consisting of well-being index, material poverty index, spiritual poverty index, and absolute poverty index. it is found that the positive change from the zakat fund distributed by BAZNAS through the productive-based zakat program is quite effective in improving the welfare index of mustahik households in both material and spiritual aspect

1. Introduction

Zakat is one of the social and economic instruments that have a huge potential so it can be optimized for developing a nation (Qaradawi; 2011). It is also projected to reduce the level of poverty and empower the poor to be more prosperous. In Indonesia, poverty is still a major problem that needs to be alleviated, from the aspects of economy, education, social, health, etc. The Indonesia State Statistical Office (Badan Pusat Statistik) recorded in September 2015 that the numbers of poor people were very high about 28.51 million, or 11.13% of the total population of Indonesia. So it becomes interesting to see how the charity play a role in poverty alleviation.

Based on studies conducted by Firdaus et al (2012), it was predicted that the zakat potential in Indonesia reached 3.4% of total GDP in 2011, or reached Rp 217 trillion. Using the same approach, according to the research, the potential for zakat nationally in 2015 rose to Rp 286 trillion. However, the realization of zakat colletion nationally was only about 2% of its potential. Due to this fact, the problem on the level of public trust to pay zakat though zakat institutions was believed to be a major factor for the wide gap between potential and actual collection of zakat in Indonesia.

Management of Zakat in Indonesia has been regulated through the Law No. 23 of 2011 replacing the Law No. 38 of 1999. The law mentioned that there are two kinds of Zakat management organization in Indonesia, namely *Badan Amil Zakat Nasional* (BAZNAS) representing zakat governments throughout Indonesia, and Amil Zakat Institutions (LAZ)

managed by private or public, which formally have to get approval and accreditation from the government (in this case the Ministry of Religious Affairs of the Republic of Indonesia). Under the act, BAZNAS has authority to manage and coordinate all zakat institutions, including LAZ in Indonesia. Currently, BAZNAS has 33 representatives in all provinces in Indonesia with authority and wide-area coverage. Hence, BAZNAS is expected to become the frontline in contributing the national development, especially related to the poverty reduction.

To achieve those great goals and expectations, it is not only required a proper working program, but also the capability of human resources, as well as a reliable and trusted facilitators. BAZNAS also should have precise measurements related to the impact of the program which has been implemented. The measurement is intended to capture accurately the impact of the program for the prosperous of mutashik that it could use as an evaluation of the program designed by BAZNAS or zakat institutions. At least these measurements cover about how effective zakat program in improving the lives of mustahik from the economic aspect, social, to the spiritual aspect.

The distribution of zakat funds managed by BAZNAS per 2015 reached Rp 2,251,634,745,545 or Rp 2.2 trillion, which includes 4,515,126 or 4.5 million people. Based on the types or asnaf of mustahik who has helped, as many as 67.7% were categorized as poor.[1] While based on the sectors of distribution, as much as 41.3% were allocated to the social and humanitarian sector, followed by 20.3% in education, economics as much as 15%, da'wah 14.9%, and health 8.5%.[2] From the data, it can be concluded that a huge of funds has been distributed so it needs to be evaluated its effectiveness in assisting mustahik. It is becoming more important such as zakat funds that were used to increase the economic productivity (productive-based program) of the mustahik communities in which BAZNAS should ensure that the funds effectively improve the prosperity of mustahik and their families.

1.1 Objectives

This survey aims to measure and capture the impact of zakat distribution for mustahik (beneficiaries / recipients of zakat) through BAZNAS. On this research, the area surveyed as a research object consists of 6 districts/cities from 4 provinces in the western of Indonesia.

[1] Book of Statistik Zakat Nasional 2015, BAZNAS, page 15
[2] Ibid, hal. 22

The expected results or objectives of this survey are:

1. To establish primary database based on the survey of mustahik.
2. To compile the results of the analysis of zakat distribution by BAZNAS
3. To propose strategy implementation and evaluation of the impact of zakat distribution by BAZNAS.

2. Literature Review

Zakat distribution is expected to alleviate the poverty that occures in some places. To potray whether zakat distributions have the impact to reduce the poverty level, it needs the tools to measure the impact. To measure the impact of the distribution of zakat funds can use a variety of models. One of them is through the measurement of the increasing or decreasing poverty level of zakat recipients (mustahik). In measuring poverty line, there were several methods that can be used. One of the methods was introducted by the World Bank in the Handbook on Poverty and Inequality[3]. The study was also compiled by Haughton and Khandker, who explained several index models that can be used to measure the poverty. The models are summarized in the following table:

Table 1 Poverty Measurement Indicator World Bank Version

Measurement Model	Explanation
Headcount Index	The percentage of poor people under the poverty line. Headcount Index simply measures the proportion which identified as poor. This model is used to calculate the numbers of poor people and it is easily understood and measured, although not clearly indicate how poor they are
Poverty Gap Index	This index is a continuation of head index that measure the extent to which a person falls below the poverty line (the poverty gap). The number of those gaps may show minimum cost to reduce poverty. However, it does not take into account the differences in the severity amongst the poor.
Poverty Severity Index	The improvement of poverty gap index is the poverty severity index. This index is used to measure the inequality among the poor, or to observe the rate of severity of the poor by measuring the gap between poverty line (P1) and the average income of poor people (P2). The greater the gap, the more severe they are.

[3] Jonathan Haughton, Shahidur R. Khandker, Handbook on Poverty and Inequality, The International Bank for Reconstruction and Development/The World Bank, Washington DC, 2009.

Sen-Shorrocks-Thon index	Sen index is a poverty index that combines the proportion of poor people, the depth of their poverty, and the distribution of poverty among the poor. However, because it is difficult to apply outside the academic literature, therefore it was modified as a Sen-Shorrocks-Thon index. Basically, this index is a combination of headcount index, the poverty gap index (applied to the poor only), and a term with gini coefficient of the poverty gap ratios (for the whole population). So the formula will be be interpreted as, %change in SST index = %change in headcount index + %change in poverty gap index (among poor) + %change in (1+Gini coefficient of poverty gaps).
Watts Index	The measure is "distributionally-sensitive" by virtue of its use of logarithms. The way that the logarithm is used means that the Watts index is much more sensitive to changes in the lowest incomes than it is to changes for those with higher incomes. That is, transferring $5 to a very poor person counts as a far larger contribution to poverty reduction than transferring $5 to a richer (but still poor) neighbor.

Sources: World Bank 2009

In Indonesia, there are two approaches in measuring the poverty standard, which are introduced by BPS-Statistics Indonesia and National Board of Family Planning Coordination (BKKBN). These two of the poverty standard measurement are used to counting the number of poor people and determine the right policy particularly related to the poverty alleviation in Indonesia.

According to BPS, the approach to observe and count the poverty is based on the basic needs approach that is observed from the expenditure, which consists of food consumption and non-food consumption. For the food consumption, BPS determines the minimum supply in amount of 2.100 calories per day per capita. It means that if a person consuming less than 2.100 calories per day, then he/she is classified as poor based on the food poverty line. While for non-food consumption, BPS calculates the total of commodity needs depending to the geographical condition. In the rural area, there are at least 47 commodities, while for the urban area there are 51 commodities. If a person cannot fulfill this commodity standard, it means he/she is categorized as poor people based on the non-food poverty line. From these two groups of classification, which are food consumption and non-food consumption, are technically converted into amounts of money.

Unlike BPS which is calculating by basic needs per capita or by individuals, BKKBN qualitatively measure the poverty by basic needs of the family. Under this approach, BKKBN classifies families into five groups, namely pre-prosperous family, prosperous families I,

prosperious family II, prosperious family III, and prosperous family III plus. BKKBN measurement model already incorporate spiritual needs as one of the indicators of a prosperous family II (non-poor family). Spiritual need which is determined by BKKBN is based on the ability to perform ritual worship, if it cannot be fulfilled then the family will be put into prosperous family I level (poor family)[4]. Nevertheless, the model made by BKKBN seems still not comprehensive yet, especially in elaborating spiritual needs in detail.

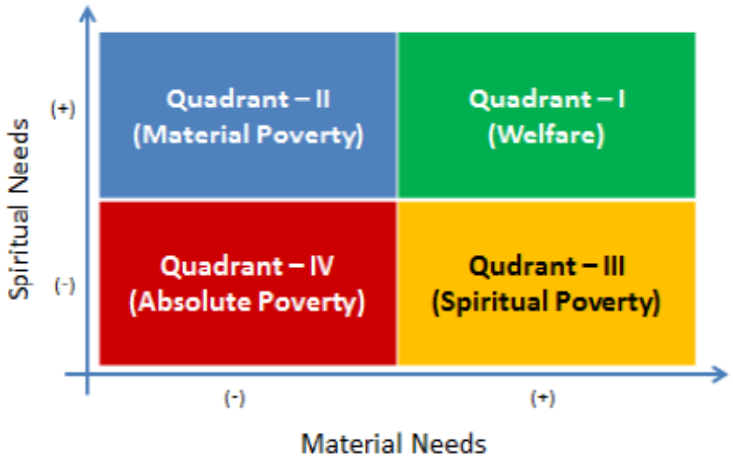
Based on the review of previous studies, it seems that the existing models cannot fulfill the expectation of measurement of the zakat impact that is not only measuring from the material only, but also the spiritual. Hence, the CIBEST model was designed and developed by Beik and Arsyianti (2015a) tried to address this challenge by measuring both the material and spiritual aspects. Both aspects are very important as a benchmark of a person's balance life as it was revealed the Qur'an and Sunnah that man has to achieve equal success in the world and hereafter[5]. With this model, households are divided into four categories according to the conditions and their capacity to meet the material and spiritual needs. The four categories are:

1. Prosperous Family (Quadrant-I): the highest category, if the households can meet both material and spiritual needs completely.
2. Material poverty (Quadrant II): if the family is only able to meet the spiritual needs, but not able to meet their material needs.
3. Spiritual poverty (Quadrant III): if the family is only able to meet their material needs, but not able to meet the spiritual needs.
4. Absolut poverty (Quadrant IV): as the lowest level, where families can not meet both the material and spiritual needs.

From these assessments, Beik and Arsyianti formulate an index based on the above assessment concept as a model called CIBEST by creating quadrants as illustrated as follows:

[4] Alimoeso (2014)
[5] Beik and Arsyianti, 2015

Figure 1 CIBEST Quadrant



Source: Beik and Arsyianti (2015)

There are two advantages by using this CIBEST quadrant. First, it is easy to identify the number of families in each quadrant. Second, the quadrant will assist government agencies in formulating appropriate policies. According to Beik and Arsyianti statement, poverty line material can be based on the three approaches, there are: periodical surveys of the basic material needs, the standard poverty line according to BPS which is used with the modification and adjustment, and zakat standard nishab (the minimum amount that a muslim must have before being obliged to zakat). Nishab is a separator standard between muzaki (zakat payers) and mustahik (zakat recipients). While the spiritual aspects are based on the three groups of variables consisting of worship, family environment, and government policies. These three variables which was the result of the experts' judgment in the measurement model can be shown in the following table:

Table 2 Spiritual Needs Indicator

Variables	Likert Scale					Poverty Standard
	1	2	3	4	5	
Prayer	Blocking others to pray	Against the concept of prayer	Performing obligatory prayer but not on regular basis	Always performing obligatory prayer but not in congregational prayer	Performing congregational prayer for obligatory one and perform recomendedprayer	Average score for spiritually poor household is equal to 3 (SV=3)
Fasting	Blocking others to undertaking fasting	Against the concept of fasting	Not fully performing obligatory fasting	Performing only obligatory fasting	Performing obligatory fasting and recomendable fasting	
Zakat and Infak	Blocking others to pay zakat and infak	Against the concept of zakat and infak	Not paying infak at least once in a year	Paying zakat al-fitr and zakat al-maal	Paying zakat al-fitr, zakat al-maal, and infak	
Household Environment	Forbid ibaadah	Against implementation of ibaadah	Consider ibadaah as private matter for household member	Support execution of ibaadah	Creating environment which obligates execution of ibaadah	
Government Policy Environment	Forbid ibaadah	Against implementation of ibaadah	Consider ibaadah as private matter	Support execution of ibaadah	Creating environment which obligates execution of ibaadah	

Sources: Beik dan Arsyianti (2015)

Based on the table above, CIBEST model is using Likert Scale to measure spiritual value, where the value of 1 indicates for the lowest value, and the value of 5 for the highest value. Although value of 3 is a minimum standard to distinguish the poor and the rich in spiritual, the family who included in this score is considered lack of faith to perform worship regularly. While the value of 1 and 2 can be assumed that they do not adhere Islamic teachings, and even worse if the household environment and the government are against the religious teachings.

3. Methodology

3.1 Data

The method used in this study is a quantitative approach that is conducted by surveying mustahik of BAZNAS who received the productive-based zakat program. This data is calculated by using CIBEST model that was developed by Beik and Arsyianti (2015) in order to measure the impact of zakat. It is a quadrant model that combines the measurement of fulfillment of human needs, both material and spiritual. Furthermore, the indices in CIBEST are consisting of well-being index, material poverty index, spiritual poverty index, and absolute poverty index.

The data used in this study consists of primary and secondary data. The primary data was obtained by using questionnaires to interview mustahik of the productive-based zakat program of BAZNAS, while secondary data was derived from the documents and financial reports of BAZNAS. Primary data was collected from October to November 2016 in 6 regions, which are West Sumatra (Sijunjung), Riau (Siak), West Java (Bandung and Sumedang), Yogyakarta (Bantul), and East Java (Gresik).

Below is a table of the methods of the data collection used in study

Tabel 3 Methods of collecting data

Stages	Methods	Sources of Data	Output
I	Secondary data research	BAZNAS documentation, and literature review of previous studies	Findings related to the research of the impact of zakat program
II	Primary data research	Direct survey to mustahik of BAZNAS	Profiles, trends, and life patterns of mustahik after receiving zakat

The survey to measure the impact of zakat was targeting the mustahik of the productive-based zakat program managed by BAZNAS, and the survey had been conducted from October to November 2016 in 6 districts with the composition as follows.

Tabel 4 Province, Area, and total respondent surveyed

No	Province	Area Surveyed	Total Respondent
1	West Sumatera	Sijunjung	150
2	Riau	Siak	400

No	Province	Area Surveyed	Total Respondent
3	West Java	Sumedang	85
		Bandung Barat	63
4	Yogyakarta	Bantul	104
5	East Java	Gresik	200
	Total Responden		**1002**

Sumber: Data primer 2016

From those 1002 people who were observed, the result of survey was verified to ensure the data is valid and inputed correctly. Then, it was analyzed by using CIBEST model to obtain the indices of the zakat impact towards mustahik.

3.2 Method of Data Analysis by Using CIBEST

a. Determine the Material Poverty Line

This stage used BPS-Statistics Indonesia standard of poverty line which is modified according to the year before zakat program was first started and a year after the program started. Furthermore, the unit analysis is based on household instead of individual. By knowing this, it can categorize the households into below poverty line or above poverty line. The formula can be seen as below:

- Material poverty line before the program: Poverty line of BPS year-before x the average number of family members per household year-before
- Material poverty line after the program: Poverty line of BPS year-after x the average number of family members per household year-after

b. Determine average Score of Actual Spiritual Condition of All Observed Household

CIBEST require the score of actual spiritual condition of households. The first step is to obtain the spiritual score of each individual household as follow:

$$Hi = \frac{Vpi + Vfi + Vzi + Vhi + Vgi}{5}$$

where,

Hi : actual spiritual score of household member i
Vpi : prayer score of household member i
Vfi : fasting score of household member i
Vzi : score of zakat and infak of household member i

Vhi : score of household environment based on perception of household member i
Vgi : score of government policy environment based on perception of household member i

The second step is to calculate average score of actual spiritual condition of one household by adding up all scores household members and it is divided by the total number of household members with the following formula:

$$SH = \sum_{h=1}^{n} \frac{H1 + H2 + \cdots + Hn}{MH}$$

Where,

SH : Average score of actual spiritual condition of one household
Hh : Actual spiritual score of household member i
MH : Total number of household members

From the result of the average score of the spiritual condition of one household, so the third step is to obtain the average score of actual spiritual condition of all observed households with the following formula:

$$SS = \sum_{k=1}^{n} \frac{SHk}{N}$$

Where,

SS : Average score of actual spiritual condition of all observed households
SHk : actual spiritual score of household k
N : total number of observed households

After obtaining the material poverty line and average score of actual spiritual condition, then the household of mustahik can be categorized according to the CIBEST quadrant as following table:

Table 5 Combination of Actual score of MV and SV Household

Actual Score	**≤ MV Score**	**> MV Score**
> SV Score	Spiritually rich, but materially poor (quadrant II)	Materially and Spiritually Rich Household (quadrant I)
≤ SV Score	Materially and Spiritually Poor (quadrant IV)	Materially Rich and Spiritually Poor Household (quadrant III)

Source: Beik and Arsyianti (2015)

Table 6 The Formula of CIBEST Indices

CIBEST Indices	Formula	Information
Material Poverty	$Pm = \frac{Mp}{N}$	Pm : material poverty index; 0 ≤ Pm ≤ 1 Mp : the number of materially poor and spiritually rich households N : the total number of observed households
Spiritual Poverty	$Ps = \frac{Sp}{N}$	Ps : spiritual poverty index; 0 ≤ Ps ≤ 1 Sp : the number of spiritually poor and materially rich households N : the total number of observed households
Absolute Poverty	$Pa = \frac{Ap}{N}$	Pa : absolute poverty index; 0 ≤ Pa ≤ 1 Ap : the number of spiritually and materially poor households N : the total number of observed households
Welfare	$W = \frac{w}{N}$	W : welfare index; 0 ≤ w ≤1 w : the number of spiritually and materially rich households N : the total number of observed households

4. Result and Analysis

4.1 The measurement of CIBEST

The first stage of calculations is using a modified BPS approach to determine the value of MV (material poverty line) in the year before and after the productive-based zakat program was conducted by BAZNAS. However, in calculating poverty index based on CIBEST model, there are still several steps that need to be done. The result of the calculation, which is the result of the survey conducted in 6 districts of study, is presented per stage such as below:

Stage I: Determine the material poverty line (MV) value before and after zakat program

First, it needs to be understood that poverty line is increasing year by year. Moreover, the unit analysis is mustahik household instead of individual. In this research, zakat program was either started in the end of the year 2014, or the beginning of the year 2015. The formula of MV can be seen as below.

Material poverty line before zakat program (2014): Poverty line of BPS year-before x the average number of family members per household year-before

$$MV_1 = Rp\ 311{,}767 \times 4 = Rp\ \mathbf{1{,}247{,}068}$$

Material poverty line after zakat program (2016): Poverty line of BPS year-after x the average number of family members per household year-after

$$MV_2 = Rp\ 354{,}087 \times 4 = Rp\ \mathbf{1{,}416{,}346}$$

Stage II; Calculating spiritual value and monthly income

The calculation of spiritual value is based on five indicators that set by CIBEST models. These indicators consist of prayer, fasting, zakat and donation, households' environment, and government policies. Based on the survey in 6 areas, the results are as follow:

Table 7 The average score of actual spiritual condition of mustahik households

Average score of actual spiritual condition	
Before zakat program	After zakat program
3,82	**4,13**

Source: Primary data 2016

Based on the table above, the average score of the spiritual of mustahik households before the program was 3.82 and after the program increased to 4.13. The initial condition of spiritual of mustahik households has been relatively good and after the productive-based zakat program which also included da'wa program in the form of public lecture at the mosque or some places that can fit a lot of people. Hence, the average score after the program indicates that the the productive-based zakat program conducted by BAZNAS positively correlated to the increasing of mustahik spiritual condition.

On the other hand, based on the calculation of monthly income of mustahik households, the average monthly income showed a significant increase from Rp 1,490,937/month to Rp 1,928,897/month or increased by 41%. The average income in the six regions surveyed is shown in the following table:

Table 8 The average monthly income of mustahik

No	Monthly income	Before program (Rp)	After Program (Rp)	Changes
1	Bandung Barat	1,678,791	2,059,585	22,68%
2	Bantul	1,998,558	2,550,077	27,60%
3	Sumedang	371,605	814,553	119,20%
4	Gresik	1,754,850	2,103,600	19,87%
5	Sijunjung	1,590,333	2,014,917	27%
6	Siak	1,551,482	2,030,648	31%
	Average	**1,490,937**	**1,928,897**	**41%**

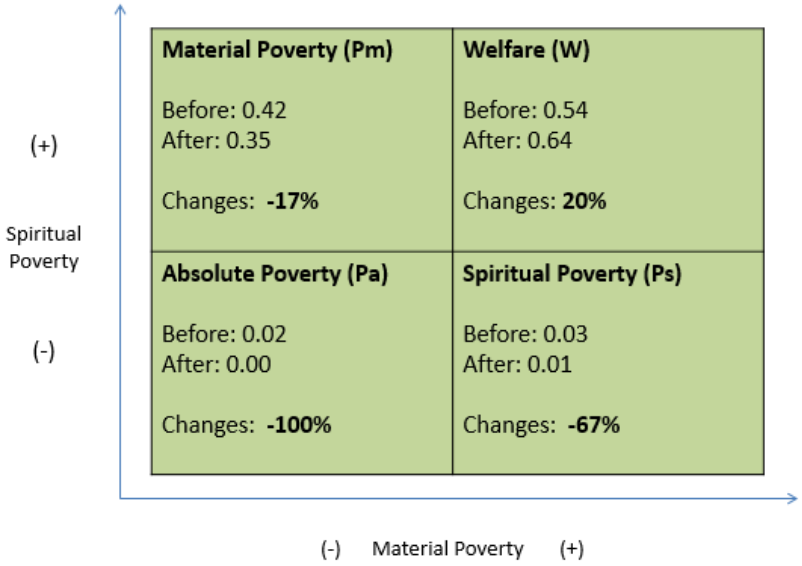
Source: Primary data 2016

When the average monthly income per mustahik households compared with the BPS poverty line that has been adjusted with income per family, 5 areas were counted slightly above average poverty line before the program, and after the program it was even higher than the poverty line. However, Sumedang is the only region in which the average monthly income before and after the program was still below the poverty line. Neverthless, there was a significant increase of average monthly income from Rp 371,605 to Rp 814,553, or 119%. It became the highest increase among the five other regions. On the other hand, the highest average monthly household income is in the region of Bantul by Rp 2,550,077 or increased by 27.60%.

Stage III; categorizing mustahik households into Quadrant and CIBEST Index

After determining the poverty line, the average monthly income of mustahik households, and actual spiritual score, then the next step is to categorize mustahik households into CIBEST quadrants. Based on the data, it can be observed that the prosperity index (W) mustahik BAZNAS in 6 regions increased by 20%, from 0.54 to 0.64. Then the material poverty index (Pm) decreased by 17%, spiritual poverty (Ps) decreased by 67%, and absolute poverty (Pa) Pa decreased by 100%. The percentage is measured based on the changes between before and after the program performed. The CIBEST indices of mustahik household can be seen from the following figure.

Figure 2 CIBEST Quadrant of Mustahik Households



Source: Primary data 2016

Based on the data, the increasing of the welfare index (W) is the result of the increasing both of the average monthly income, and spiritual actual score. However, the increasing of the welfare index was relatively less significant which only 20% of changes. As for the change in the category Pm fell slightly by 17%. Then, although the numbers of mustahik households at Ps category is relatively small, but it decreased quite significantly by 67%. Hence, it is expected that in the future will be decreased by 100%. Similarly, the absolute poverty decreased significantly, where there are no mustahik households residing in this category.

Furthermore, the measurement of zakat impact based on CIBEST model shows that in the management of zakat, in particular, to the program of productive-based zakat, evaluation is needed to observe the obstacles and challenges and its solutions so that this program can achieve maximum results. The action that can be implemented such as to be more precise in planning the program, and assessment. As for BAZNAS in the particular district should be more optimized their action to assist mustahik in improving the welfare mustahik both from the material and spiritual aspect. Especially related to the spiritual poverty, although the numbers of mustahik families in the spiritual poverty group were small, there is a concern that it will affect their belief to Allah and the teachings of Islam.

Therefore, the supervision by BAZNAS is very important to create productive-based zakat distribution is not merely the activity of zakat distribution, but it has a right program that can improve both the material and spiritual aspect of mustahik. Prior to distribution, there

must be a strategy which consists of planning, monitoring, and evaluation of the program. By implementing the strategy, it is expected that zakat funds are distributed appropriately to those who really need, and it can be utilized by the mustahik to improve their economic condition.

To have a better figure regarding the changes of the welfare and absolute poverty index from 6 areas surveyed, the data can be seen in the table below.

Tabel 9 The comparison of the changes of the welfare and absolute poverty index

No	Province	District	Changes in index W	Changes in index Pa
1	West Java	Sumedang	7.14%	0%
2		Bandung Barat	24.49%	0%
3	Yogyakarta	Bantul	22.22%	-100%
4	East Java	Gresik	0%	-100%
5	West Sumatera	Sijunjung	47.27%	-100%
6	Riau	Siak	16.95%	0%

Source: Primary data 2016

It can be seen from the table regarding the absolute poverty index; 3 districts have successfully improved the mustahik households to leave the absolute poverty group by 100%, which are Bantul, Sijunjung, and Gresik district. Another 3 district did not change because previously there are no mustahik households in the absolute poverty group. While the increasing of the welfare index was occurred in 5 districts surveyed except Gresik. The ranges of increasing are 7.14% - 47%, where most of the area surveyed has significantly increased by double digit, except Sumedang that only increased by 7.14%. These 6 districts surveyed actually have a coaching program, however based on the increasing of welfare index percentage, Sijunjung district has increased significantly in welfare index and recorded as the highest by 47.27%, then the second highest is Bandung Barat by 24.49%, and the third is Bantul by 22.22%.

The reason why those 3 districts successfully improved the welfare index value because they have an intensive coaching program and also assigned a facilitator in order to assist mustahik in building idea about business that can be established from distributed zakat funds. Furthemore, BAZNAS in Bandung, Sijunjung, and Bantul are supervising the mustahik's business to ensure their products are well managed, such as the cashflow, the distribution channel, the packaging, etc. Then there are also da'wah activities such as once a

month the mustahik gather at the mosque or some public space to attend the Islamic public lecture. Hence, it proves that with the right coaching program and assigning a good facilitator will affect the increasing of mustahik's welfare materially and spiritually.

4.2 The Potrait of the Surveyed Area

1. Siak- Riau Province

Administratively, Siak district currently has 14 sub-districts with the total area of 8592.09 km2. Total population in Siak was registered 424,884 people (Mei 2011). The local government of Siak concerns about zakat, and as a prove they issued Instruction No.14 of 2012, which stated that all public servants, employees of State-owned enterprises, and other private employees are instructed to pay the zakat of income to BAZNAS Siak. Zakat socialization in Siak was done intensively, such as socialization in public servant organization, or in village unit cooperation (KUD) of palm oil in the village. Therefore, according to the BAZNAS Siak that the zakat collection has been increasing up to this year.

According to the table below, there was a significant increase in the welfare index, where the value of index pre zakat program was 0.59 but after a productive-based zakat program, it has a positive change by 16.95% to 0.69. While the material poverty index decreased by 25%. Whereas the spiritual poverty index had no change, then on the absolute poverty index are not listed mustahik houswholds in this category either pre zakat program or post zakat program. For more detail can be seen in the table below.

Table 10 CIBEST Index: Pre and Post Zakat Program in Siak

CIBEST Index	Pre Zakat Program	Post Zakat Program	Percentage Change
Welfare Index (quadrant 1)	0.59	0.69	16.95%
Material Poverty Index (quadrant 2)	0.40	0.30	-25.00%
Spiritual Poverty Index (quadrant 3)	0.01	0.01	0.00%
Absolute Poverty Index (quadrant 4)	0.00	0.00	0%

Primary data

Generally, BAZNAS Siak has been quite successful in increasing the welfare of mustahik which can be seen from the improvement in quadrant 1 (welfare index) and

decrease in quadrant 2 (material poverty index). However, there is still mustahik that are in category of quadrant 3 (spiritual poverty index), so this should not be underestimated. Da'wah program for mustahik is very important to improve the level of spiritual in order to eliminate mustahik households that are in the category of spiritual poverty.

2. Sijunjung - West Sumatra Province

BAZNAS Sijunjung, West Sumatra, in the early half of 2016 has given zakat funds for the education program, called 'Sijunjung Cerdas', targeted 2,049 poor students. The fund is about Rp 609.8 million for all students in the district in which the amount of distributed zakat funds vary depending on the level of education of students. While, in the previous year in 2014, BAZNAS Sijunjung together with BAZNAS National, and BAZNAS West Sumatra province had been giving zakat funds for Zakat Community Development (ZCD) program amounting to Rp 210 million as part of productive-based zakat program. Table 11 below shows the positive impact from the distribution of the program in Sijunjung- West Sumatra.

Table 11 CIBEST Index: Pre and Post Zakat Program in Sijunjung

CIBEST Index	Pre Zakat Program	Post Zakat Program	Percentage Change
Welfare Index (quadrant 1)	0.55	0.81	47.27%
Material Poverty Index (quadrant 2)	0.34	0.18	-47.06%
Spiritual Poverty Index (quadrant 3)	0.06	0.01	-83.33%
Absolute Poverty Index (quadrant 4)	0.05	0.00	-100.00%

Primary data

Welfare index (quadrant 1) has increased significantly from 0.55 to 0.81, an increase by 47.27%. Then, material poverty index and spiritual poverty index have a drastic decrease in the amount by 47.06% and 83.33%. The absolute poverty index also showed a great result, it decreased by 100% post zakat program. Based on these data, we can conclude that the productive-based zakat program in Sijunjung has been done very well. This positive impact is the outcome of the coaching program by BAZNAS Sijunjung that consistently guiding and empowering mustahik.

3. Bandung Barat - West Java Province

BAZNAS West Java province distributed zakat productive program to mustahik in the several areas of West Java. One of the areas is located in Bandung Barat, in which 63 mustahik were surveyed in this area. Based on the Table 12, welfare index has increased by 24.49% after zakat program. Material poverty index decreased by 23.53% from 0.51 to 0.39. Then, spiritual poverty index and absolute poverty index did not change either pre or post zakat program, which is 0% since there are no mustahik households were listed in this group.

Table 12 CIBEST Index: Pre and Post Zakat Program in Bandung Barat

CIBEST Index	Pre Zakat Program	Post Zakat Program	Percentage Change (%)
Welfare Index (quadrant 1)	0.49	0.61	24.49%
Material Poverty Index (quadrant 2)	0.51	0.39	-23.53%
Spiritual Poverty Index (quadrant 3)	0	0	0%
Absolute Poverty Index (quadrant 4)	0	0	0%

Primary data

From the data obtained, it can be observed that most of their jobs are factory workers amounting by 15%, traders by 8.72%, and the least are farmers by 5.96%. Productive-based zakat program in West Bandung district focuses on the development of Micro Entrepreneur. This program has made a significant increase in their welfare as reflected in the rise of welfare index. Especially, for housewives who do not have a job before, now they have their own businesses, such as bakery, snacks, etc. As a result, the average monthly income of mustahik households increased by 22.68%. Furthermore, the program of 'tabung desa (Village's Saving)' uses the concept interest-free for savings and loans, so it can help them if someone needs additional business capital.

4. Sumedang- West Java Province

Sumedang is one of the districts located in West Java province approximately 2-hour drive from the city of Bandung. The survey took place in one of the villages in Sumedang district, which is called Dayeuh Luhur Village. Most of the livelihoods of the village communities are farmers. The number of farmers in this village is 82.05% of total population. This is because the soil, and the environment are very supportive for farming. The rests are working as labor

(11.54%) and the others are housewives. Based on the data survey data, the index as outlined in the table below.

Table 13 CIBEST Index: Pre and Post Zakat Program in Sumedang

CIBEST Index	Pre Zakat Program	Post Zakat Program	Percentage Change
Welfare Index (quadrant 1)	0.14	0.15	7.14%
Material Poverty Index (quadrant 2)	0.86	0.85	-1.16%
Spiritual Poverty Index (quadrant 3)	0.00	0.00	0%
Absolute Poverty Index (quadrant 4)	0.00	0.00	0%

Primary data

From the table above, there was a positive increased by 7.14% in quadrant 1 (welfare index), then there was a decreased by 1.16% in quadrant 2 (material poverty index). While, the quadrant 3 (spiritual poverty index) and quadrant 4 (absolute poverty index) did not change since there are no mustahik households were listed in these groups before and after the program. Although the majority mustahik in this area are still at the level of material poverty, but their income increased by 119.20% and it is the highest among the districts surveyed. Their average monthly income per family before the program was Rp 300,000/month, then increased to Rp 800,000/month after the program. The increasing of their income was due to the coaching program by BAZNAS Sumedang in assisting mustahik to create the local product which is the banana chips. However, the banana chips production is still constrained by limited land and distributors to increase sales, hence the impact on improving the welfare index remains low.

5. Bantul- Special Region of Yogyakarta

Mustahik households that had been surveyed in Bantul, Yogyakarta was about 100 households. Mustahik in Bantul worked in agriculture, farms, and food processing. In executing productive-based zakat program, BAZNAS Yogyakarta distributed the aid in a different form according to the expertise of each mustahik. Such as in the form of livestock breeding for breeders, and money to those who do not have skills in agriculture, or the combination those. So BAZNAS Yogyakarta has the database to identify the need of mustahik according to their skill. The result of the survey can be seen in the table below.

Table 14 CIBEST Index: Pre and Post Zakat Program in Bantul

CIBEST Index	Pre Zakat Program	Post Zakat Program	Percentage Change
Welfare Index (quadrant 1)	0.63	0.77	22.22%
Material Poverty Index (quadrant 2)	0.24	0.20	-16.67%
Spiritual Poverty Index (quadrant 3)	0.09	0.03	-66.67%
Absolute Poverty Index (quadrant 4)	0.05	0	-100.00%

Primary data

Based on the table 14, it can be observed the value quadrant 1 (welfare index) of mustahik households increased by 22.22%, from 0.63 to 0.77 after the program. The value of material poverty index was about 0.24 (pre zakat program) then decreased by 16.67% to 0.20 post zakat program. As for the value of spiritual poverty index before zakat program was 0.09 then decreased 66.67% to 0.03. Mustahik household that are at the level of absolute poverty has decreased from 0.05 to 0. It means there is no more absolute poor people in the area.

It can be concluded that BAZNAS Yogyakarta still have the problem of 0.03 mustahik households who are trap in spiritual poverty. They should evaluate the program that it may caused by the the lack of spiritual coaching. However, the increasing of mustahik welfare should be appreciated because BAZNAS Yogryakarta distributed the aid according to the needs of Mustahik, and supported with intensive coaching. Hence, this strategy was precisely implemented in the field. in Bantul occurs because of the capital aid that fits the needs mustahik and supported with intensive coaching. In addition, the strategy adopted by BAZNAS Bantul as well appropriate. Therefore, BAZNAS Bantul expected to be maintain and improve it.

6. Gresik- East Java

Gresik is located in the Northwest of East Java Province which has zakat institution that is directly subordinated to the structure of local government. BAZNAS Gresik legally have very broad authority including zakat collection of all companies or government agency (SKPD) in the district of Gresik. BAZNAS Gresik has five main programs: Gresik Cerdas (education), Gresik Sehat (health), Gresik Peduli (social), Gresik Berdaya (economic), and Gresik Taqwa (da'wah).

On the distribution of productive-based zakat, BAZNAS Gresik established Gresik Berdaya (economic). The program has distributed zakat funds in 2015 in the form of interest-free loans for 28 mustahik, working equipments for 3 mustahik, and cattle for 126 mustahik. Based on the results of data, the index of Gresik district can be seen in the table below.

Table 15 CIBEST value of mustahik household Gresik before and after the program

CIBEST Index	Pre Zakat Program	Post Zakat Program	Percentage Change
Welfare Index (quadrant 1)	0.84	0.84	0.00%
Material Poverty Index (quadrant 2)	0.15	0.16	6.67%
Material Poverty Index (quadrant 2)	0.01	0.00	-100.00%
Absolute Poverty Index (quadrant 4)	0.01	0.00	-100.00%

Primary data

Table 15 shows that the welfare index (quadrant 1) of mustahik BAZNAS Gresik remained unchanged. While, the material poverty index increased by 6.67%, then the spiritual poverty index and absolute poverty index decreased by 100%. It is assumed that the program only successful to improve the spiritual and absolute poverty, yet the index of mustahik welfare was not increased. This case needs to be evaluated by BAZNAS Gresik, because as we can see in the data that most of the distributed zakat funds, which targeted 128 mustahik, in the form of cattle, were in the form of cattle. Based on this, may be the program of farming was unsuitable for the mustahik in the particular area, or it could be caused by the lack of supervision.

5. Conclusion and Recommendation

From the result of the survey, it can be concluded that the positive change from the zakat fund distributed by BAZNAS through the productive-based zakat program is quite effective in improving the welfare index of mustahik households in both material and spiritual aspect. This evidence can be seen from the aggregates showed that the welfare-index has improved from the lowest of 7% to the highest 0f 47%, except Gresik which remain unchanged. Moreover, there is an evidence the average monthly income of mustahik households in the all area surveyed has increased from the lowest of 19% to the highest of 119%. Furthermore,

based on the observation shows that the level of material poverty, spiritual poverty, and absolute poverty has also decreased.

The findings which derived from each region relatively diverse, and the designation of the productive-based zakat program relies heavily on the aspect of social, economic, and culture of mustahik in the particular area. Furthermore, there are several factors can be the determinant of the outcome such as the factors of accuracy of the program based on the needs of mustahik, the intensity of the coaching and monitoring of the program, etc. In addition, the patterns of productive-based zakat distribution in each region also vary to adapt the conditions of mustahik communities. As what mentioned before, the distribution of zakat fund such as in the form of cash, commodity like cattle, fertilizer, seeds, and a combination of cash and commodity. These all have done to match the needs of mustahik to establish or to expand their businesses.

BAZNAS should also facilitate the coaching program, and to perform supervision because it is important to guide the mustahik in utilizing the distributed zakat fund. As it can be seen from the survey results in the previous chapter, for example, Sijunjung district has significantly increased in the welfare index by 47%. These results believed as the results of their intensive coaching program and supervision to mustahik, and spiritual coaching. In addition, BAZNAS Sijunjung developed a suitable program for mustahik based on their needs so the program can be optimally executed by the mustahik.

From the results of survey, it can be recommended some good things associated with the productive-based zakat program. Some of the recommendations are as follow:

1. For BAZNAS or other Zakat Institutions, the existence of strategy in distributing zakat fund and developing the program is very important to ensure that the productive-based zakat program can assist mustahik.
2. The urgency to have performance indicators of the program by considering material and spiritual aspect of mustahik as one of the indicators so BAZNAS or zakat institutions will strive to achieve the performance indicators.
3. Coaching program for mustahik is very important to ensure the sustainability of the productive-based zakat program, and it is expected the mustahik's business can grow and develop independently. Therefore, the assistance and guidance by BAZNAS as the program manager are should be done.

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