

MECHANISM OF REGIONAL ZAKAT FUND DISTRIBUTION IN INDONESIA**Firna Nur Fauziah^{1a}, Muhammad Amin²**^{1a}Universitas Djuanda, Jl. Tol Ciawi No.1 Bogor 16720, Jawa Barat, Indonesia, e-mail:
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ABSTRACT

This study aims to examine the mechanism of zakat fund distribution in several provinces in Indonesia. The approach used is qualitative with purposive sampling technique. The research data is sourced from secondary data obtained through documentation method, which is the collection of information from documents, archives, and relevant written materials. The analysis was conducted using descriptive techniques. The results showed that the five provincial BAZNAS with the largest zakat distribution during the 2019-2024 period were West Java, East Java, Central Java, DKI Jakarta, and Riau. The distribution of zakat funds is carried out through two mechanisms, namely productively to support economic activities and consumptively covering the fields of education, social, da'wah, and health with various sub-programmes in it.

Keywords: BAZNAS; Consumptive Zakat; Productive Zakat; Zakat Distribution

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INTRODUCTION

Zakat is an obligation for financially able Muslims and serves to prevent the accumulation of wealth in the hands of a few. Zakat funds collected from muzakki (payers of zakat) are distributed to mustahik (recipients of zakat) with the aim of helping to fulfill basic needs and economic empowerment. Zakat distribution consists of two types: consumptive zakat and productive zakat. Consumptive zakat is usually given in the form of basic necessities assistance, scholarships, or healthcare services, while productive zakat is distributed as business capital to sustainably increase the income of mustahik (Ali et al., 2016). The distribution of zakat funds is expected to have an impact on improving community welfare.

According to Fatmalasari and Abdillah (2024), welfare can be said to be achieved when a family is able to meet basic needs, namely clothing, food, and shelter, and has adequate access to education and healthcare. Furthermore, welfare can also be indicated by the level of poverty in a region; a higher poverty rate indicates a greater number of people living in poverty (Munandar & Samputra, 2019). Amidst these problems, zakat is present as an instrument for the economic development of the community that has the potential to reduce poverty and improve community welfare (Devi et al., 2024).

According to a report by the Central Statistics Agency (2024), poverty in Indonesia has fluctuated over the past decade. In 2015, the number of poor people reached 28.51 million, then decreased to 24.78 million in 2019. The COVID-19 pandemic caused a spike in poverty to 27.55 million in 2020, but it gradually decreased to 24.06 million in 2024, thanks to economic recovery and various government social interventions. Zakat's contribution to poverty reduction is increasingly evident. From 2019–2024, zakat showed an increasing contribution to

national poverty alleviation. In 2019, zakat helped 113,501 people (1.03%), increasing to 285,063 in 2020 (1.03%), 397,419 in 2021 (1.50%), 463,154 in 2022 (1.76%), 577,138 in 2023 (2.23%), and peaked in 2024 with 1,350,227 people (5.61%) lifting themselves out of poverty.

Poverty reduction through zakat is not only reflected in a decrease in the number of poor people but also in improving the quality of life of those entitled to receive it, for example through business capital, job creation, scholarships, and other empowerment programs. Previous research, such as by Turnando & Zein (2019) and Cahya (2020), has shown that zakat has a significant impact on increasing the income of those entitled to receive it.

Poverty reduction is also achieved by reducing unemployment by providing productive zakat-based employment opportunities. BAZNAS distributes business programs such as ZMART (a grocery store) to 654 beneficiaries, ZCHICKEN (a crispy chicken culinary business) to 873 beneficiaries, and empowering motorcycle repair and maintenance MSMEs through training, mentoring, and capital. These programs aim to improve the economic well-being of beneficiaries while creating new jobs. Furthermore, educational scholarships distributed by BAZNAS also have a long-term impact on poverty reduction, as higher education opens up job opportunities and better incomes. Provinces with the largest zakat distribution, such as West Java, Central Java, East Java, Jakarta, and Riau, show a correlation between zakat distribution and improvements in welfare indicators, such as reduced poverty rates, increased Human Development Index (HDI), and stable unemployment rates.

Thus, optimal zakat distribution not only helps those entitled to receive zakat (mustahik) escape poverty but also improves the well-being of the people in those regions. Zakat is a social instrument

that can strengthen people's purchasing power, boost productivity, create jobs, and support sustainable development. Therefore, it is important to further examine the extent to which zakat distribution plays a role in promoting welfare and the economy at the regional level. Based on this description, this study aims to determine zakat distribution in several regions with the largest zakat distribution in Indonesia.

MATERIALS AND METHODS

This research uses a qualitative approach, with a population of all 38 provinces in Indonesia. The sample was determined through purposive sampling, a non-random method in which researchers select samples based on certain characteristics to align with the research objectives and be relevant to the problem being studied. The selected provinces were West Java, Central Java, East Java, DKI Jakarta, and Riau. The selection of these provinces was based on the regions with the largest zakat distribution in 2019-2024, which is managed by BAZNAS consistently every year without experiencing drastic spikes or declines. The data used comes from secondary sources, while data collection was carried out through documentation methods, namely collecting information from documents, archives, and written materials related to the research object. Data analysis was carried out using descriptive analysis techniques.

RESULTS AND DISCUSSION

The amount of zakat fund distribution in five provinces during the 2019–2024 period can be seen in the following table as a basis for further analysis.

Table 1. Zakat Fund Distribution

Jumlah Pendistribusian Zakat			
Tahun	BAZNAS Jawa Barat	BAZNAS Jawa Tengah	BAZNAS Jawa Timur
2019	Rp 665.025.496.751	Rp 163.693.616.307	Rp 105.658.163.085
2020	Rp 572.973.006.064	Rp 216.332.755.177	Rp 225.358.382.658
2021	Rp 337.328.948.530	Rp 224.639.651.365	Rp 161.179.420.830
2022	Rp 442.843.169.308	Rp 369.403.190.882	Rp 250.148.038.803
2023	Rp 505.399.360.206	Rp 401.241.609.092	Rp 376.012.418.317
2024	Rp 574.823.616.718	Rp 446.633.501.219	Rp 410.667.736.418
Jumlah	Rp 3.098.393.597.577	Rp 1.821.944.324.042	Rp 1.529.024.160.111

Source: BAZNAS Indonesia, 2019–2024

The annual reports of BAZNAS record that over the past six years, there are five provinces with the highest zakat distribution. West Java becomes the province with the highest distribution of zakat, with a total distribution of Rp 3.098 trillion, followed by Central Java with a total distribution of Rp 1.821 trillion, and East Java with a total distribution of Rp 1.529 trillion.

Table 2. Zakat Fund Distribution

Jumlah Pendistribusian Zakat		
Tahun	BAZNAS DKI Jakarta	BAZNAS Riau
2019	Rp 134.468.180.571	Rp 83.338.524.955
2020	Rp 142.913.143.595	Rp 156.289.496.933
2021	Rp 197.681.344.139	Rp 116.473.720.679
2022	Rp 220.507.248.640	Rp 124.912.647.827
2023	Rp 282.865.282.826	Rp 187.062.391.710
2024	Rp 337.396.157.043	Rp 201.538.132.652
Jumlah	Rp 1.315.831.356.814	Rp 869.614.914.756

Source: BAZNAS Indonesia, 2019–2024

Furthermore, DKI Jakarta recorded a total zakat distribution of Rp 1.315 trillion, followed by Riau in the last position with a distribution amounting to Rp 869 billion. Zakat funds are distributed through two mechanisms: productive and consumptive. In the productive mechanism, zakat is allocated for economic activities such as business capital, training, and assistance. Meanwhile, the consumptive mechanism focuses on supporting education, health, social welfare, and religious activities.

BAZNAS of West Java Province

Over the six-year period from 2019 to 2024, BAZNAS of West Java Province has been ranked first in terms of zakat distribution. The distribution of zakat funds is allocated to various programs as follows:

1. Jabar Mandiri

This program aims to optimize zakat for supporting the emergence of new entrepreneurs through business development. The programs include Business Coaching and Assistance, Business Facilities Support, Business Capital Assistance, Self-Reliance Assistance, Direct Economic Aid, Zmart, Dhuafa Investor, Z-Chiko (Zakat Chicken Korea), Livestock Center, Mustahik Entrepreneurs, and Z-Auto.

2. Jabar Cerdas

A funding program for education provided to disadvantaged communities, ranging from school students to university students. This initiative aims to break the cycle of poverty caused by limited access to education. The programs include One Family One Scholar Scholarship, Achievement Scholarship, Child-Friendly West Java, Direct Education Assistance (consumptive), and Smart Santri Scholarship BAZNAS.

3. Jabar Peduli

A zakat empowerment program for community development based on local potential and disaster management. Aside from cash assistance, this program also supports the establishment of businesses to help disaster victims become economically independent after disasters (Aminudin et al., 2025). Programs include Humanitarian Aid, Disaster Environment Assistance, BAZNAS Decent Housing Program, and Nyaah Ka Kolot Program (PNKK).

4. Jabar Taqwa

A zakat utilization program aimed at supporting Islamic propagation, including providing guidance for converts (muallaf). Assistance is distributed through institutions such as the Qur'an Shelter House to strengthen da'wah and ensure equal spread of Islamic guidance in society. Programs include Da'wah Cadre Development, Qur'an Love Program, Ramadan Safari, Iftar Gatherings, Ramadan Charity Aid, Mosque Facility Assistance, Islamic Propagation Aid (BSI), and Support for Qur'an Teachers.

5. Jabar Sehat

A healthcare support program for the underprivileged through the establishment of the BAZNAS West Java Health House. This initiative aims to provide free healthcare services for those facing financial difficulties, funded by zakat, infaq, and sadaqah. Programs include Mobile Health Service, Free Healthcare Service, Health Social Service, Direct Health Assistance (BLK), Stunting Prevention, and Elderly-Friendly Clinic.

National Amil Zakat Agency of Central Java

Within the six-year period from 2019 to 2024, BAZNAS of Central Java Province ranks second as the institution with the highest distribution of zakat funds. The distribution of zakat is allocated to various programs as follows:

1. Productive Economic Program

This program focuses on economic empowerment with the aim of improving the welfare and economic independence of mustahik. Through this initiative, beneficiaries are provided with access to business support. The programs include: Skills Training, Business Capital Assistance, ZChicken, Zmart, Zcorner, and Livestock Development Center.

2. Education Program

This program represents the consumptive utilization of zakat aimed at enhancing access to education for underprivileged mustahik. BAZNAS Central Java provides educational assistance and scholarships for students at various academic levels. The programs include: Undergraduate Scholarships (S1), Master's Scholarships (S2), Doctoral Scholarships (S3), and School Supplies Assistance.

3. Social Program

This program reflects a concrete effort to address the social conditions and living environments of mustahik. Assistance is provided to disaster-affected communities, home rehabilitation for uninhabitable houses, and emergency

social needs. The initiatives include: Food Package or Cash Assistance, Mosque, Mushola, and Islamic Boarding School Rehabilitation, Disaster Response Aid, Ramadan Safari Program, Natural Disaster Assistance, and Uninhabitable House Renovation.

4. Da'wah Program

This zakat-based program focuses on strengthening spiritual aspects and religious activities through the provision of worship facilities, religious guidance, and collaboration between mustahik and muzakki. The programs include: Islamic Propagation Support, Mustahik Assistance, and Convert (Muallaf) Empowerment.

5. Health Program

A health initiative providing basic medical services for mustahik with limited healthcare access, ensuring they remain healthy and productive. The programs include: Medical Treatment Assistance, BAZNAS Health House, Sanitation Program (Jambanisasi), and Stunting Prevention Efforts.

National Amil Zakat Agency of East Java

Over the six-year period from 2019 to 2024, BAZNAS East Java Province is recorded as the third-highest zakat-distributing institution, following West Java and Central Java. The distribution of zakat funds is allocated to various programs as follows:

1. Jatim Makmur

A program operating in the economic sector by distributing zakat, infaq, and sadaqah for productive activities. The initiatives include: Skills Training, Business Capital Assistance, Business Equipment Support, ZChicken, Kita Jaga Usaha (We Guard Business), and Z-Auto.

2. Jatim Cerdas

An educational program that provides scholarships to students, including those who wish to pursue higher education. The programs consist of: One Family One Undergraduate Scholarship, Scholarships for Elementary/Junior/Senior

High/Vocational/Islamic School students, and School Supplies Assistance.

3. Jatim Peduli

A social welfare program dedicated to supporting the poor, needy, and underprivileged who are affected by disasters or crises. The initiatives include: Assistance for the Poor and Needy, Natural Disaster Relief, Uninhabitable House Renovation, Ramadan Safari Program, and Aid for Orphans Affected by Covid-19.

4. Jatim Takwa

A program operating in the field of da'wah, focusing on strengthening the faith of underprivileged communities. The programs include: Islamic Da'wah and Propagation Assistance, and Zakat Awareness Campaigns.

5. Jatim Sehat

A healthcare program aimed at providing medical services to mustahik. The initiatives include: Community Health Posts, Mass Medical Treatment, Free Ambulance Services, and Stunting Prevention Programs.

National Amil Zakat Agency of DKI Jakarta

Over a six-year period from 2019 to 2024, BAZNAS DKI Jakarta Province is recorded as the fourth-highest zakat-distributing institution after West Java, Central Java, and East Java. The distribution of zakat funds is allocated to several programs as follows:

1. Jak B Berdaya (Economy Empowerment Sector)

This program provides economic assistance to mustahik in DKI Jakarta through the distribution of capital funds aimed at supporting independent entrepreneurship. Program initiatives include: Zmart/Bpoint, Business Training and Mentoring, Business Capital Assistance (Cash), Business Capital Assistance (Product-Based), Agricultural Business Empowerment, Village Market Revitalization, Inland and Marine Fisheries Empowerment,

ZChicken, Culinary Market Bazaar Bazis, Senyum Teluk Jakarta, and Saudagar Tangguh.

2. **Jak B Takwa (Religious Empowerment Sector)**

This program supports Islamic religious activities for mustahik in DKI Jakarta. The initiatives include: Operational Support for Islamic Propagation Activities, Support for Muallaf Activities, Scholarship for Ulama Regeneration, Training for Quran Reciters, Personal Assistance for Mosque Cleaners, Muadzin, Imams, Quran Teachers, Assistance for the Poor and Needy, Assistance for Debtors (Gharimin), Assistance for Wayfarers (Ibnu Sabil), Orphan Assistance, Ramadan Safari Program, and the "Everyone Can Eat" Initiative.

3. **Jak B Cerdas (Education Sector)**

This educational support program aims to enhance access to learning for underprivileged communities in order to break the poverty cycle (Fadhilah, 2022). The programs include: Educational Assistance for Junior and Senior High Schools, MDJ (Higher Education Scholarship), Educational Fund Assistance for Educators (PAUD Teachers, Honorary Madrasah Teachers, TPA Teachers), Support for Underprivileged Students in Islamic Boarding Schools, Graduation Certificate Redemption Assistance, Mosque School Renovation Support, Santri Cerdas, and Tahfidz Boarding School for Students with Disabilities.

4. **Jak B Green (Environmental and Housing Sector)**

This program focuses on improving environmental well-being and housing conditions for mustahik in DKI Jakarta. Initiatives include: Renovation of Uninhabitable Houses, Area Revitalization, and Disaster Relief Assistance.

5. **Jak B Sehat (Healthcare Sector)**

This program provides free healthcare services for mustahik. The initiatives

include: Medical Treatment Assistance, Free Healthcare Services, and Free Ambulance Services.

National Amil Zakat Agency of Riau

Over the six-year period from 2019 to 2024, BAZNAS Riau Province ranks fifth in terms of zakat distribution after West Java, Central Java, and East Java. The distribution of zakat funds is allocated to the following programs:

1. **Riau Makmur (Economic Empowerment Sector)**

This program aims to foster economic independence for mustahik through initiatives such as: Business Capital Assistance and Mentoring, Job Skills Training, Z-Auto, ZChicken, Support for Business Development under the Bidari Program, Distribution through UPZ Kemenag, Productive Assistance for Regencies/Cities, and Business Empowerment Assistance through KUA.

2. **Riau Cerdas (Education Sector)**

Aimed at improving community intelligence and educational quality through programs such as: Assistance for Primary and Secondary Education Costs, BAZNAS Unilak Dormitory, One Family One Undergraduate Scholarship, Islamic Boarding School Education Support, Domestic Higher Education Support, Educational Debt Settlement Assistance (Certificate Redemption), BAZNAS Cendekia School Scholarship, Ziswaf Research Assistance, Master's Degree Scholarship Support, Tahfidz Scholarship, OPZ Politeknik Bengkalis Assistance, and Mosque/Madrasah/School Renovation.

3. **Riau Peduli (Social Welfare Sector)**

A program designed to manage various disasters frequently occurring within Riau Province at both district/city and regional levels. The initiatives include: Living Cost Assistance, Renovation of Uninhabitable Houses (RTLH), Food Aid, Disaster Management Support,

- and Renovation/Provision of Musholla Facilities and Patient Shelter Houses.
4. Riau Takwa (Religious Sector)
A program that aims to strengthen the faith and piety of the Muslim community. The initiatives include: Support for Religious Activities, Provision of Religious Equipment, Da'wah Propagation Support, and Muallaf Guidance Assistance.
 5. Riau Sehat (Healthcare Sector)
A program dedicated to providing free medical services to underprivileged citizens. The initiatives include: Medical Expense Assistance, Clean Water and Sanitation Support, BAZNAS Riau Patient Shelter House, Water Well Assistance, and Incentives for Remote-Area Midwives.

CONCLUSION AND IMPLICATIONS

Zakat funds are distributed through two mechanisms, namely productive to support economic activities and consumptive which include education, social, da'wah, and health, each of which has subprograms. The results of the study show that the five provincial BAZNAS with the largest zakat distribution in the 2019–2024 period are West Java with five main programs (West Java Independent, West Java Smart, West Java Cares, West Java Takwa, and West Java Healthy), Central Java with five programs (Productive Economy, Education, Social, Da'wah, and Health), East Java with five programs (East Java Prosperous, East Java Smart, East Java Cares, East Java Takwa, and East Java Healthy), DKI Jakarta with five programs (Jak B Berdaya, Jak B Bertaqwa, Jak B Cerdas, Jak B Green, and Jak B Sehat), and Riau with five programs (Riau Makmur, Riau Cerdas, Riau Peduli, Riau Takwa, and Riau Sehat).

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