

Zakat Utilization Model Canvas: Alleviating Poverty Through Stockbreeding Program

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ABSTRACT

One of the poverty alleviation programs mostly carried out by Zakat institutions is the mustahiq utilization program through stockbreeding empowerment. Geographical conditions, demographics, and the enormous potential for qurban's meat are a few factors that support Zakat-based stockbreeding programs. This study aims to determine whether the stockbreeding programs run by the Zakat institution positively impact mustahik. The impact measurement was carried out using mixed methods, namely the BAZNAS Welfare Index (BWI) and the poverty indicator approach to determine the number of mustahik farmers lifted out of poverty. The results show that in 2021 the BWI value of the BAZNAS stockbreeding program is classified under the Good category (0.78) and managed to transform 81% of mustahiq into muzaki. Furthermore, this study will be the first to explain the business process of stockbreeding programs by using a modification of the Business Model Canvas, the Zakat Utilization Model Canvas (ZUMC). We recommend that Zakat institutions implement ZUMC to help them design stockbreeding programs to improve the quality of life of mustahiq.

Keywords: *Zakat institutions, Poverty alleviation, Islamic social finance*

INTRODUCTION

Based on data from BPS (2022), Indonesia's poor population in September 2021 was 9.71% or 26.50 million people. The number of poor people in 2021 has decreased compared to 2020. From the trend of poverty reduction, from 2015 to 2019, there was a significant poverty reduction. However, this trend reversed direction in 2020 due to the Covid-19 pandemic. The movement of increasing poverty again reversed in September 2021; compared to March 2021, there was a decrease in poverty of 0.43 and 0.48% compared to September 2020. This poverty reduction certainly needs to be accelerated, especially in 2022; poverty in Indonesia is targeted to decrease to 8.5%-9%. The target is also in line with the Sustainable Development Goals (SDGs), in which

poverty and hunger are targeted to be eliminated by 2030.

One way to accelerate poverty reduction in Indonesia is to optimize the productive sector of agriculture. Based on data released by BPS (2022), in March 2021, as many as 51.33% of poor households used agriculture as their main source of income. Term agriculture itself is not only limited to farming but also includes stockbreeding.

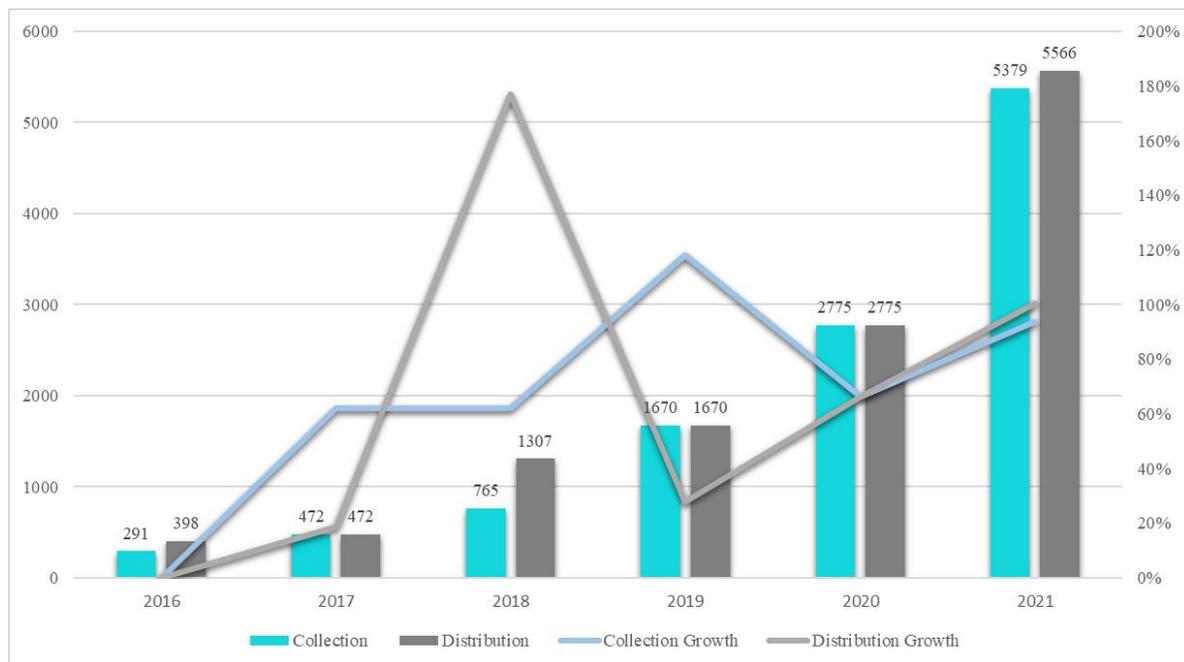
According to Kuswaryan et al. (2020), stockbreeding can be a means to exit poverty. Furthermore, (Swanepoel et al., 2010) stated that poor people perceive livestock as a saving since it can be easily traded to get cash. Hence, the opportunity to optimize stockbreeding in Indonesia is quite considerable, as seen from the need for meat every year, which can be divided into the overall needs of the people in

Indonesia and specifically for Muslims. Overall, the Directorate General of PKH RI stated that Indonesia's meat demand in 2021 is predicted to be 696,956 tons. This is not convergent with domestic meat production, which only reached 473,814 tons. The same thing happens with milk production, where the demand for milk is projected at 4.3 million tons, but domestic production is only sufficient for 22% of the total demand.

In particular, Indonesia, with the largest number of Muslims in the world, will need qurbani meat every year. BAZNAS and PEBS UI (2018) calculate the potential for qurbani in Indonesia, reaching 21.6 million goats or equivalent to Rp. 69.6 trillion. Another study by the Institute for Demographic and Poverty Studies (2021) stated that the potential for qurbani in Indonesia reached 414,000 cows and 1.26 million goats, equivalent to Rp.

18.2 trillion. In 2022, the potential of qurban meat was recalculated by BAZNAS, and it is estimated that the qurbani value will reach Rp 31.6 trillion or equivalent to 155 thousand tons of qurban meat.

Poverty alleviation programs through the optimization of the livestock sector can be further accelerated with assistance from Zakat institutions. The distribution of assistance provided to mustahik by Zakat institutions is carried out in two ways: consumptive and productive. For productive assistance, livestock programs are one of the flagship programs Zakat institutions have carried out for a long time. One of the Zakat institutions that pays great attention to livestock programs is BAZNAS.



Source: BAZNAS (2022)

Figure 1. Collection and Distribution BAZNAS RI Qurban Program 2016-2021

Based on the picture above, it can be seen that there has been a positive trend

toward the collection and distribution of sacrificial meat carried out by BAZNAS in

the last five years. The pandemic that hit the world and Indonesia in 2020 until now has not had much of an impact on the need for qurban meat. This happened for three reasons; firstly, the interest in giving in Indonesian society is very large, following the results of the World Giving Index, which states that Indonesia is the most generous country. Second, because BAZNAS can accommodate the need for sacrificial meat well and distribution innovations make the practice of qurbani during the pandemic still run safely. And third, because the livestock program managed by BAZNAS has a mature business process, the program can run well.

The performance of the livestock program that BAZNAS has managed can become a prototype of the livestock program to be replicated by other institutions. This replication aims to form many other livestock programs that can also provide great benefits to the people of Indonesia. In carrying out this replication, guidance related to the business processes carried out by BAZNAS in developing livestock programs is needed.

In accommodating the business model of the Zakat utilization program, until now, no canvas model can represent the unique forming elements of the Zakat utilization business model. The Zakat utilization program is not entirely commercial and generates profit for mustahik, but it also contains social and spiritual empowerment. Therefore a canvas model is needed that accommodates the business model of Zakat utilization from a social and commercial perspective.

Based on this, this study will explain two things; first is the business process of the BAZNAS livestock program using a modified business model canvas. This modification is important considering that stockbreeding institutions managed by Zakat institutions have two objectives: social and commercial. So far, no business

model canvas properly describes the business processes of an institution or program that has these two objectives directly. Second, this study will also measure how the impact of Zakat is felt by mustahik on their livestock program. The results of Zakat's impact will reinforce the importance of implementing livestock programs to accelerate poverty reduction in Indonesia. The organizations of this study will be divided into several parts: introduction, literature review, methods, results and discussion, and conclusion.

LITERATURE REVIEW

Rural Poverty

Managing an archipelagic country with a large geographical area like Indonesia is difficult. Although development is sought to be evenly distributed throughout Indonesia, the fact is that development inequality persists. According to Arham & Hatu (2022), the western part of Indonesia contributed 80% to the economy while the rest, 20%, was contributed by the eastern part of Indonesia. This unequal development can lead to poverty in various regions of Indonesia.

Poverty is indeed one of the problems developing countries face, and most of the poverty occurs in rural areas (Harahap, 2002; Arham & Hatu, 2020). In Indonesia, BPS (2022) released that the number of poor people in rural areas in September 2021 was 11.86 million, and in rural areas, as many as 14.64 million. Or in other words, more than 55% of poor people live in rural areas.

The dynamic well-being of rural households theoretically can be explained by "The Theory of Peasant Economy" by the Russian economist A.V. Chayanov (1966), who is keenly interested in how agrarian class structure evolves as economies industrialize. Chayanov offered micro-foundations in the form of a theory

of how the peasant household— understood as a joint production-consumption unit— allocates its resources. Chayanovian literature stated that households are poor because they lack ownership over assets and receive low returns on their labor endowments. Improving households' holding of productive assets allows them to shift to a more entrepreneurial strategy and earn higher returns on their labor.

Furthermore, Wulandari et al. (2022) stated several factors causing poverty, namely 1) high population growth rate, 2) increasing unemployment, 3) low education, 4) natural disasters, and 5) poor income distribution equally.

The poverty that occurs in a country will obstruct the country's development, resulting in low-quality physical development, human resources, and the economy (Istan, 2017). Khan and Kraemer (2009) state that poverty can cause malnutrition and low environmental health. Furthermore, poverty also causes backwardness in terms of education (Jamaludin, 2011).

Empowerment Programs in Rural Areas

Rural areas are the main foundation of the state's administration because most people live in them (Arfiansyah, 2020). Realizing the importance of solving the problem of inequality and rural poverty, the government has also made several programs to support village development. Some examples of these programs are the National Community Empowerment Program (PNPM) in rural and urban areas, regional socio-economic infrastructure development programs, development programs for disadvantaged and special areas, and improvement and strengthening of community-based development programs (Wulandari et al., 2022).

One of the programs also run by the government is the Village Fund (Dana Desa), as outlined in Law No. 6 of 2014

about Desa (village), which aims to solve the problem of inequality and rural poverty (Arham & Hatu, 2022). Based on the law, village funds are a fiscal policy in the form of granting authority to the local village government to regulate expenditures or, in other words, the existence of fiscal decentralization. However, research on the impact of village funds yielded two different findings. Wu and Ramesh (2014) and Arfiansyah (2020) found that village funds gave positive results in reducing poverty levels, while Rao and Das Gupta, (2015) found the opposite result.

Another practice of empowerment in rural areas is tourism-based empowerment. According to Desiati (2013), rural tourism-based empowerment can be built through socialization, discussion, competition, piloting, and pioneering. Furthermore, this empowerment has strong factors such as a kinship system and mutual cooperation, which are some local wisdom in rural areas.

However, empowerment through programs in the rural area also has its obstacles and challenges. Desiati (2013) suggests that low public awareness, lack of knowledge about the potential of developed businesses, and inadequate infrastructure, are some of the problems still being faced in empowerment in the rural area.

One of the strongest findings from the wave of development experiments on poverty reduction programs was the effectiveness of asset transfer programs as an intervention to alter poverty dynamics. A new generation of graduation programs that provided modest asset transfers in combination with other interventions meant to stabilize households and allow them to build their self-confidence and psychological assets. In contrast to the tepid findings on the impacts of microfinance, evaluation of these next-generation anti-poverty programs has found them to be remarkably impactful, on average and at

least for a subset of beneficiaries (Carter and Michuda, 2019). One kind of asset transfer program which shows a promising impact on poor rural households is the integrated livestock asset transfer program which provides training on livestock management and other livelihood skills, and also veterinary and agricultural extension services.

Many prominent studies on analyses of livestock transfer programs, such as Bandiera et al. (2017); Emran et al. (2014); Banerjee et al. (2015); Rawlins et al. (2014); Jodlowski et al. (2016); Kafle et al. (2016), as well as Dercon (1998) who models livestock acquisition as a stochastic path out of poverty for households, shows that this multifaceted intervention decreased poverty rates, increased consumption expenditures, increased livestock production, and increased asset holdings and earnings from self-employment. These effects continue three and half years after the initial round of the intervention and have increased over time.

Extending those works, studies from Phadera et al. (2019) show that the integrated livestock transfer empowerment program significantly increased household development resilience. The program increases beneficiaries' likelihood of being non-poor in future periods; households receiving training and livestock at the baseline are 44% more likely to be non-poor than Control households 42 months after the intervention. Moreover, the program increased headcount resilience among participant households. While more than 80% of the treatment households are resilient at the end line, the comparable endline headcount resilience rate for Controls is only 28.6%. Decomposing these effects into first (central tendency) and second (spread) moments reveals that the livestock transfer and training program has increased mean household asset holdings and decreased the variance in asset

holdings. The program has shifted the conditional asset distribution upward and truncated uncertainty in asset holdings.

Zakat Empowerment Programs to Alleviate Poverty

Zakat is appropriate for repairing consumption, production and distribution patterns to achieve prosperity (Attabik, 2015). Furthermore, Attabik (2015) believed that Zakat has a role in poverty alleviation because Islam uses it to balance income among people.

For illustration, Zakat intervention helps underprivileged people to obtain their basic needs or increase their consumption. If we see this phenomenon from a macroeconomic perspective, the increase in aggregate consumption will lead to increased economic performance or growth (Safitri, 2017).

In Indonesia, Zakat is managed by Zakat Institutions and regulated by Law No 23/2011 about Zakat Management. The law states that Zakat disbursement can be done through Zakat consumption and Zakat productivity through Zakat empowerment programs.

The scope of Zakat empowerment programs is to alleviate poverty in Indonesia Pratama (2015) emphasized that Zakat has a multiplier effect if the focus of Zakat distribution is to create empowerment programs. According to Nasdian (2006), empowerment has two main elements: independence and participation. Therefore, empowerment programs carried out by Zakat institutions always involve the role of assistants to achieve poverty alleviation targets. Moreover, Nasir and Nurzaman (2018) state that the Zakat program in Indonesia must follow society's living culture. Thus, the number of Zakat empowerment programs that have been carried out has also been measured by various studies.

In the empowerment program conducted by BAZNAS Bogor City, Zakat influences the Human Development Index (HDI) and *mustahik* poverty level. Based on the results of Muniarti and Beik's research (2014), the t-statistic test found differences in the level of *mustahik* income before and after receiving Zakat. In other words, the distribution of Zakat can increase *mustahik* income. The analysis shows that the value of the Headcount Index *mustahik* dropped from 0.85 to 0.77. The value of the Poverty Gap Index *mustahik* decreased from Rp536,265.89 to Rp301,755.66. The same thing happened in the income gap index, which fell from 0.43 to 0.24. Similarly, the Sen Index decreased from 0.84 to 0.76. The decrease in all indicators of poverty shows that the Zakat empowerment program has a positive influence in reducing poverty levels, which means it plays a good role in the human development of *mustahik*.

Pratama (2015) found that the number of poor people decreased after the Zakat intervention from 0.8 to 0.5 using the headcount index. He also found a decreasing gap in income from 0,44 to 0.17, calculated by the income gap ratio method. Furthermore, Beik and Pratama's (2016) research on the impact of the productive Zakat program of Dompot Dhuafa shows that *mustahik* income increased by 147.14 percent after the intervention program. By analyzing the CIBEST model, the program also reduced material, spiritual, and absolute poverty by 49.6 percent, 1.6 percent and 12.3 percent, respectively. Meanwhile, the welfare index increased by 63.7 percent.

The distribution of Zakat is also carried out in rural areas. Nashir and Nurzaman (2018) conducted a study on the impact of Zakat on two villages, namely Tamiang Village and Sindangsari Village, using the Zakat impact index. This study's results indicate that Zakat's impact on the

two villages has a fairly positive impact on *mustahik*.

METHOD

Study of the Impact of Zakat

Since 2016 BAZNAS has measured the impact of Zakat on the welfare of *mustahik* through the Zakat Impact Assessment instrument. Assessment of the Impact of Zakat is an integral part of the National Zakat Index as a measuring tool for the performance of national Zakat management. The Zakat Impact Assessment instrument consists of the BAZNAS Welfare Indicator (BWI) and the Poverty Indicator.

BWI and poverty indicators were measured on the *mustahik* sample. The sample criteria in this study were *mustahik* breeders who received Zakat funds and underwent a coaching process for business and spiritual development. The BWI analysis is carried out through three constituent indexes: the CIBEST Welfare Index, the Modified Human Development Index (HDI) and the Independence Index. The closer the BWI number is to 1 (one), the better the impact of the Zakat distributed. The CIBEST Welfare Index calculates the family poverty index, which is divided into 4 (four) quadrants based on material and spiritual conditions, while the HDI Modification Index measures the effect of Zakat on the Human Development Index based on health and education indicators. Finally, the Independence Index measures the independence and sustainability of *Mustahik's* income. The BWI categorization can be seen in the table below.

Table 1 Category of BAZNAS Welfare Index

Value Range	Information
0,00 – 0,20	Poor

0,21 – 0,40	Below Average
0,41 – 0,60	Fair
0,61 – 0,80	Good
0,81 – 1,00	Excellent

Source: Puskas, 2017

The BAZNAS Welfare Index and the Poverty Indicator in this study were measured using 3 (three) standards, namely: (1) the BPS standard Poverty Line in March 2021 of IDR 2,121,637 per family/month; (2) the national Kifayah Had is IDR 3,011,142 per family/month; and (3) The Zakat Nisab refers to the Decree of the Head of BAZNAS RI Number 14 of 2021 concerning the Nisab Value of Zakat for Income and Services in 2021, which is IDR 6,644,868.

The Poverty Indicator index applied in this study is the headcount index (P0) to measure the value of the proportion of the population in poverty or calculate the number of poor people. The headcount index values are 0 (zero) and 1 (one), where 1 (one) is under the poverty line (PL) status and 0 (zero) is independent of PL. Changes in the headcount index indicate the number

of mustahik that have been successfully eradicated from the poverty rate standard based on the standard used. A good Zakat distribution program is when the P0 value after the program is smaller than the P0 value before the program. The advantage of this index is that it is easy to formulate and measure. However, the weakness is that this index cannot measure how deep the poverty level of mustahik is. A simple formulation of the headcount index (P0) is as follows:

$$P_0 = \frac{q}{n}$$

Notes:

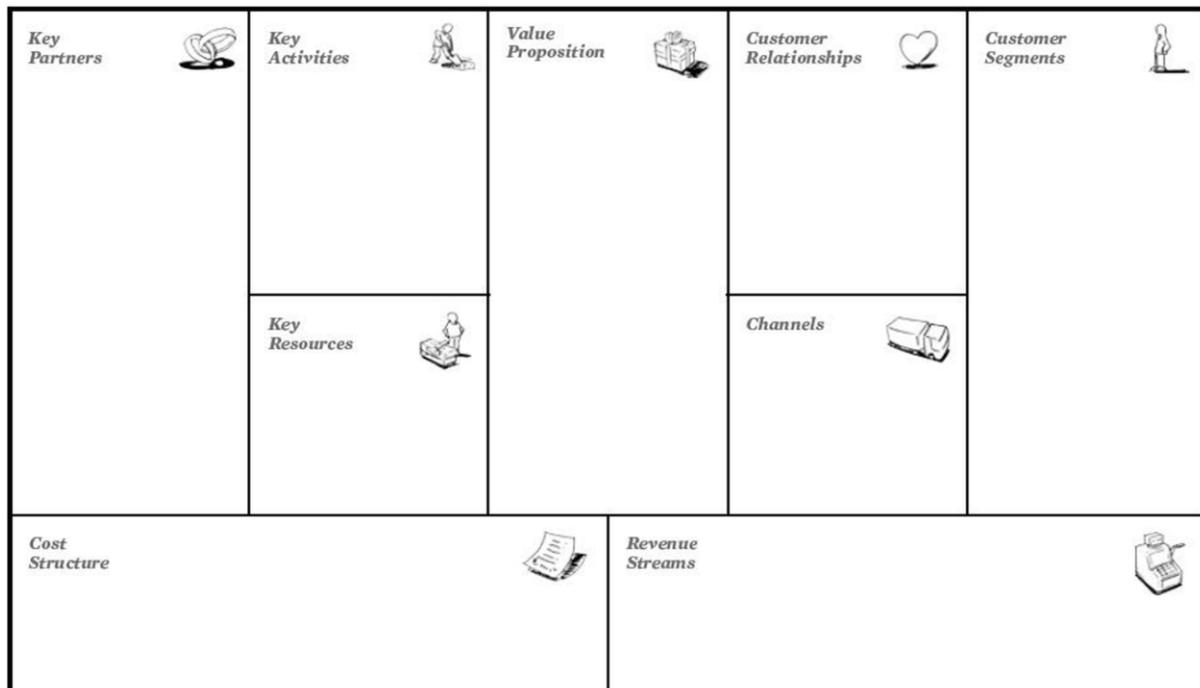
P0 = headcount index

q = number of people below the official poverty line

n = total population (population)

Zakat Utilization Model Canvas

The approach used in mapping the business model of the livestock center utilization program is the Business Model Canvas, promoted by Osterwalder & Pigneur (2010). Business Model Canvas or BMC is a management strategy using a visual chart consisting of 9 elements.



Source: Osterwalder & Pigneur, 2010
Figure 2 Business Model Canvas

According to Osterwalder, BMC is designed for for-profit companies and analyzes organizations with a 'strong non-financial mission' that focuses on ecological, social, and public services (Sparviero, 2019). In its journey, BMC has developed a lot to translate the business model of a commercial and social program. The Social Enterprise Model Canvas (SEMC) is a development of BMC as a platform that can prevent possible 'mission drift' from challenges arising from the mismanagement of a program or institution carrying out a social mission. As an adaptation of BMC to accommodate social values, SEMC adds two factors that will appear in the building blocks, including: (1) social and environmental costs of a business model (negative externalities of a program) and (2) social and environmental benefits of a business model (positive externalities of a program).

In their study, Utomo & Pangeran (2019) combines the concept of the Business Model Canvas Osterwalder & Pigneur (2010) with the Logic Model presented by Rahmatulloh & Mohammad

(2014), where the logic model is a tool to inform/explain the program to help to implement evaluation of the activities carried out. It can be concluded that the logic model is a model that uses the system to describe the changes experienced and explain in detail the logical linkages between parts.

Utomo & Pangeran (2019) groups the components of the business canvas into four logic models: Input, Process, Output, and Outcome. The components included in the input logic model include Key Partnerships and Key Resources. The components that are included in the logic model process group include Channels, Customer Relationships, Key Activities, and Cost Structures. Meanwhile, the components that fall into the output logic model group include the Customer Segment, Value Proposition, and Revenue Stream. The last is the outcome logic model tailored to the program's customers and beneficiaries. The following is a more detailed explanation of the grouping of building blocks called the Social Enterprise Model Canvas.

Table 2 SEMC Building Blocks Grouping

Group	Component
First Has the same type and character as BMC Osterwalder & Pigneur (2010)	1) <i>Key Resources</i> 2) <i>Key Activities</i> 3) <i>Channels</i> 4) <i>Cost Structure</i>
Second Redefining some of the building blocks of BMC Osterwalder & Pigneur (2010) with social sector adjustments	5) <i>Social Value Proposition (SVP): redefinition of Value Proposition (VP)</i> 6) <i>Non-targeted Stakeholders (NtS): redefinition of Key Partnership (KP)</i> 7) <i>Customer and Beneficiaries (C&B) redefinition of Customer Segments (CS)</i> 8) <i>Customer and Beneficiaries Engagement (C&BE) redefinition of Customer Relationship (CR)</i> 9) <i>Income (I\$) redefinition of Revenue Stream</i>
Third	10) <i>Mission Value (MV)</i> 11) <i>Objectives (Obj)</i>

New and specific building blocks to characterize the social sector	12) <i>Impact Measures (IM)</i> 13) <i>Output Measures (OM)</i> 14) <i>Governance (Gov)</i>
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Source: processed data, 2021

This research begins with the process of searching for reference journals and then proceeds to the study of literature. The results of deepening the literature study were continued by proposing the Zakat Utilization Model Canvas and determining the case study location to complete the ZUMC building blocks. Focus Group Discussions were also held with experts, breeders, and assistants to the BAZNAS Stockbreeding Program. To measure Zakat's impact on mustahik breeders' welfare, the researcher also calculated the impact of Zakat with the BAZNAS Welfare Index and Poverty Indicators instruments. Ultimately, the researcher applies the results of extracting information from the BAZNAS Stockbreeding Program into ZUMC and presents Zakat's impact analysis results.

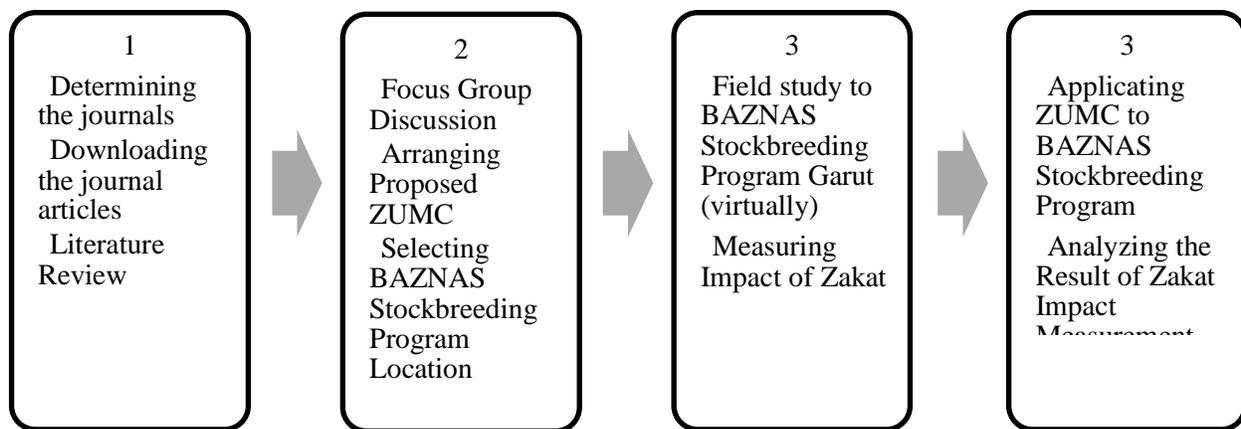


Figure 3 Research Process

RESULT

In capturing the business model of the BAZNAS utilization program, the research team used the Business Model Canvas approach (Osterwalder & Pigneur, 2010)

modified with the Social Enterprise Model Canvas (Sparviero, 2019). In this case, the modified canvas model is called the Zakat Utilization Model Canvas (ZUMC) as below:

Governance (GOV)				
Key Partnerships (KP)	Key Activities (KA)	Value Proposition (VP)	Customer Relationship (CR)	Customer Segments (CS)
	Key Resources (KR)		Channels (CH)	

Mission Values (MV)		Impact Measures (IM)
Objectives (Obj)		Output Measures (OM)
Cost Structure (C\$)		Revenue Streams (RS)

Source: Puskas, processed data (2021)
 Figure 4 Zakat Utilization Model Canvas

The following is an explanation of each of the building block model canvases above:

Table 3 Classification and Explanation of Indicators & Components of the BAZNAS Program Model Canvas

Logic	Components	Indicators
Input	Mission Values Defining the long-term goals that the organization wants to achieve	Economy Education Health Humane Social Da'wah and Advocacy Environment (adjusted to the program)
	Objectives Defining measurable short-term goals	Economy Education Health Humane Social Da'wah and Advocacy Environment (adjusted to the program)
	Governance Explain who is the supervisor/BOC of the organization	
	Key Partnership Stakeholders/partners (not consumers and beneficiaries) who are involved in value creation)	Empowerment Commercial
	Key Resources The most important assets needed for the sustainability of the business model	Empowerment Commercial
Process	Channels	Empowerment Commercial

Logic	Components	Indicators
	With what and how the organization communicates and reaches consumers (including beneficiaries) in conveying the value proposition)	
	Customer Relationship Building relationships between organizations and consumers, and beneficiaries	Empowerment Commercial
	Key Activities Key activities that the organization must perform for the sustainability of the business model	Empowerment Commercial
	Cost Structure All costs required for the continued operation of the business model	Empowerment Commercial
Output	Customer Segment Includes consumers and beneficiaries targeted by the organization	Empowerment Commercial
	Value Proposition Products and services offered that create value for certain consumers and beneficiaries	Empowerment Commercial
	Revenue Streams All financial income from both for-profit and non-profit activities received to support the business model	Empowerment Commercial
Outcome	Impact Measures Defining impact measurement in achieving the organization's mission	Economy Education Health Humane Social Da'wah and Advocacy Environment (adjusted to the program)
	Output Measures Define a measurement of achievement of business model objectives	Economy Education Health Humane Social Da'wah and Advocacy Environment (adjusted to the program)

Source: Puskas, data processed (2021)

Zakat Utilization Model Canvas of BAZNAS Stockbreeding Program

This paper presents ZUMC for the BAZNAS Stockbreeding Program in the Garut area, West Java. The Garut Livestock Center is in West Java in Kramatwangi

Village, Cisurupan District, Garut Regency. Since it was formed at the end of 2018, the development of the Livestock Center in Garut has been quite rapid, so on February 13, 2020, a local institution in the form of the Mekar Jaya Farmer Consumer Cooperative was born. This indicates that

the independence of mustahik at the Garut Livestock Center is improving. This phase shows that the utilization program is ready to take off and develop independently.

The Garut Livestock Center program proves that the mustahik farmer empowerment program can increase their income. Before the program, the average monthly income of mustahik was IDR 1,611,333; after the program, the income increased to IDR 2,601,887. The number of breeders increased from 46 in December 2019 to 60 mustahik breeders in September 2020.

The products produced at the Livestock Center have also experienced significant developments. Currently, Balai Ternak in Garut also produces various by-products, such as bags, jackets, and leather belts. Manure produced by livestock is also reprocessed into compost so that it can have added value. In addition, there are several by-products produced by mustahik there, namely basic necessities and Calina papaya and green onions as a result of integrated farming.

GOVERNANCE (GOV)				
1. Ministry of Religion 2. National Board of Zakat 3. National Board of Zakat - Regional				
KEY PARTNERSHIPS (KP)	KEY ACTIVITIES (KA)	VALUE PROPOSITION (VP)	CUSTOMER RELATIONSHIP (CR)	CUSTOMER SEGMENTS (CS)
Empowerment: 1. National Board of Zakat, Amil Zakat Institution, Zakat Collection Unit 2. Local government Commercial: Individuals (Fattening Program, Making Sangung Groups and Buying and Selling Livestock)	Empowerment: <u>Main Activity</u> 1. Empowerment of mustahik breeders through the utilization of productive assets in the form of livestock and livestock production facilities 2. Initiation and development of farmer institutional business 3. Development of livestock production centers <u>Supporting Activity</u> 1. Compost Products 2. Processing of leather (jacket, bag, and belt) horn, and bone biogas 3. Basic food 4. Organizing administrative, financial, and HR systems 5. Building a database system and program reporting Commercial: <u>Main Activity</u>	Empowerment: Poverty alleviation in rural areas through the empowerment of mustahik breeders through Balai Ternak programs ranging from breeding, fattening, to marketing with material and spiritual assistance Commercial: The spirit of improving the welfare of mustahik through profit-oriented mustahik activities on: 1. Sale of sacrificial animals to BAZNAS 2. Buying and selling goats for aqiqah 3. Buying and selling of integrated farming products and by-products such as rice, processed leather, and compost	Empowerment: 1. BAZNAS Ramadan Program 2. BAZNAS Qurban Program 3. Group Administration Book 4. Archipelago Breeders Jamboree 5. Training of Trainers Training and Consolidation of Companions 6. The 7th Indonesian Sheep and Goat Breeding Silatnas in Cilacap 7. Aspaqin Silatnas in Bandung 8. LFA&MPP technical assistance and technical training Commercial: 1. Monthly reports (infographics and activity reports) 2. Annual Report 3. Livestock Hall Profile Book 4. Traces of Farmer Independence	Empowerment: 1. Poor mustahik 2. Have the will and ability in the field of animal husbandry Commercial: 1. General public 2. Muslim (importance of qurban and aqiqah)

	<ol style="list-style-type: none"> 1. Building a marketing network for livestock products and their derivatives 2. Sales of sheep and goats <p><u>Supporting Activity</u> Sales of by-products</p>			
	KEY RESOURCES (KR)		CHANNELS (CH)	
	<p>Empowerment:</p> <ol style="list-style-type: none"> 1. Livestock Production Facilities (Sapronak) consisting of seeds, feed, and medicines 2. Cage 3. Feed Processing Unit 4. Program companion 5. Management, secretarial 6. Zakat funds, infaq, alms, waqf <p>Commercial: Investment/cooperation funds</p>		<p>Commercial:</p> <ol style="list-style-type: none"> 1. ToT Training and Consolidation of Mentors 2. 2019 Village Empowerment Qurban Gathering 3. The 7th Indonesian Sheep and Goat Breeding Silatnas in Cilacap 4. Mentoring Techniques and LFA & MPP Technical Training 5. Coordination Meeting of LPPM assistants and management 6. LPPM Class "Aqiqah Business Opportunity in the Millennial Era" 7. Empowerment Assistant Intern in Garut 8. BAZNAS Online Qurban Gathering 2020 <p>Commercial:</p> <ol style="list-style-type: none"> 1. Website 2. Direct socialization/ 3. Stakeholder visit 4. Youtube Channel 5. Instagram 6. Facebook 	
MISSION VALUES (MV)			IMPACT MEASURES (IM)	
	<ol style="list-style-type: none"> 1. Improving the welfare of farmers through the utilization of ZIS and DSKL funds 2. Developing local institutions and empowered farmer group businesses 3. Establish and develop livestock production centers 4. Building a marketing network for livestock products and their derivatives 5. Organizing administrative, financial, HR and institutional database systems in a professional and accountable manner 			<ol style="list-style-type: none"> 1. Assessing the Zakat Impact with a value of 0,79 (Good). Indicator value details: <ul style="list-style-type: none"> ● CIBEST Welfare Index = 1,00 (Excellent) ● Modification of HDI = 0,50 (Fair) ● Independence Index = 0,63 (Good) 2. Zakat Utilization Index 2021 with a value of 0,77 (Good) <ul style="list-style-type: none"> ● Economic Dimension = 0,54 (Fair) ● Da'wah Dimension = 0,63 (Good)

		<ul style="list-style-type: none"> ● Environment Dimension = 0,44 (Fair) ● Culture Dimension = 0,36 (Below Average) ● Social Dimension = 0,78 (Good) <p>3. SLIA 2020</p> <ul style="list-style-type: none"> ● HR = 0,78 (Fair) ● Nature = 0,45 (Below Average) ● Financial = 0,79 (Fair) ● Physical = 1,48 (Fair) ● Social = 0.09 (Below Average)
OBJECTIVES (OBJ)		OUTPUT MEASURES (OM)
<p><u>Purpose of BAZNAS Livestock Center (general)</u> Mewujudkan kemandirian secara:</p> <ol style="list-style-type: none"> 1. Economic independence 2. Mental and spiritual independence 3. Institutional independence <p><u>Purpose of Garut Livestock Center (special)</u></p> <ol style="list-style-type: none"> 1. Encouraging and developing productive businesses to increase the income and welfare of members 2. A place for learning and exchanging experiences about animal husbandry 3. Strengthening/strengthening the ties of brotherhood and friendship among members 4. Fostering the spirit of mutual cooperation among members 5. Carry out service to group members in particular and non-groups in general 6. Developing business opportunities in the agriculture and livestock sector on a group basis 7. Cultivate awareness of mutual cooperation and cooperation to achieve group goals 		<p><u>Economic Independence</u></p> <ul style="list-style-type: none"> ● Increased production of farmers ● Improved processed products ● Increased revenue <p><u>Institutional Independence</u></p> <ul style="list-style-type: none"> ● Independent Group ● Self-funding ● Access to Capital ● Local institutions (cooperatives) <p><u>Mental/Spiritual Independence</u></p> <ul style="list-style-type: none"> ● Performing religious obligations (prayer, fasting) ● High work ethic ● Trustworthy ● Paying ZIS
COST STRUCTURE (C\$)		REVENUE STREAMS (RS)
<ol style="list-style-type: none"> 1. Program preparation costs (SKW assessment, companion recruitment, companion training, program socialization, livestock group formation) 2. Program implementation costs (financing, construction of stables, procurement of livestock, training of breeders, livestock management, network strengthening, mentoring, supervision and money) 3. Self-reliance costs (formation of local cadres, institutional initiation, marketing advocacy, asset reform, impact assessment, and program exit) 		<p>Empowerment:</p> <ol style="list-style-type: none"> 1. Zakat funds and infaq funds 2. Funds for BAZNAS operational activities 3. BAZNAS Online Sacrifice Fund (KOB) 4. Disbursement Fund from UPZ 5. Group Member Contributions: mandatory savings, infaq from sales 6. Member Savings: mandatory savings from the sale of livestock <p>Commercial:</p> <ol style="list-style-type: none"> 1. Investors 2. Sales of breeding cattle 3. Sales of fattening programs 4. Development of livestock by-products

Source: Puskas, processed data (2021)

Figure 5 Zakat Utilization Model Canvas of BAZNAS Stockbreeding Garut - West Java

Analysis of the Impact of Zakat

Assessment of the impact of Zakat on the welfare of mustahik breeders is carried out

using a measuring instrument called the BAZNAS Welfare Index (IKB) and the Poverty Indicator through changes in the headcount index, which shows the number

of mustahik who have been successfully eradicated from the poverty standard. The results of the impact assessment of the

BAZNAS Stockbreeding Program can be seen in the table below.

Table 4 Measuring the Impact of Zakat on the BAZNAS Stockbreeding Program 2019-2021

BAZNAS Welfare Index			Poverty Index ($\Delta P0$)		
2020	2021	2022	2020	2021	2022
0,71 (Good)	0,77 (Good)	0,78 (Good)	0,51	0,65	0,81

Source: BAZNAS (2022), processed data

The measurement results of the BAZNAS Welfare Index for the Mustahik Farmer Empowerment Program in 2019 were 0.71 (Good) and continued to increase in 2020 and 2021 with results of 0.77 (Good) and 0.78 (Good). This shows that the empowerment of mustahik breeders has a good impact on material and spiritual welfare, the quality of human development and the independence of mustahik breeders. Meanwhile, on the poverty indicator, the proportion of mustahik that was successfully removed from the BPS poverty standard showed better results from 2019-2021, where in 2019, 51% of the mustahik breeder population was successfully removed from the poverty line. By 2020, this proportion will increase to 65% of the mustahik breeder population who escaped the poverty line. As for the latest measurements in 2021, the BAZNAS mustahik farmer empowerment program can lift as many as 81% of the mustahik breeder population from the poverty line. Thus, we can conclude that as one of the empowerment programs for mustahik breeders, it can support increasing the welfare of mustahik and alleviating poverty in the breeder environment.

CONCLUSION

The potential of stockbreeding in Indonesia can be one way to accelerate poverty reduction in Indonesia. The stockbreeding program can be carried out by the

government and other institutions, such as BAZNAS, as one of the Zakat institutions whose position is regulated in Law No. 23 of 2011 on Zakat Management. With the Zakat funds owned, BAZNAS already has a livestock program with significant results in raising the quality of life of mustahik. So that other institutions can replicate the stockbreeding program owned by BAZNAS, the Zakat Utilization Model Canvas, a modification of the Business Model Canvas, can be used to develop stockbreeding programs that aim to alleviate poverty.

The results of the BAZNAS stockbreeding program, which significantly improves the quality of mustahik, can also be seen from the value of the BAZNAS Welfare Index (IKB), which measures the impact of the Zakat. The IKB results show that in the 2019-2021 range, the IKB value of the BAZNAS stockbreeding program is in the Good category, which is 0.71, 0.77, and 0.78, respectively. When viewed from the Headcount Index value with the BPS poverty line standard, poverty was also significantly reduced among the mustahik group in the stockbreeding program. From 2019 to 2021, the decline was 51%, 65%, and 81%, respectively.

The results of this study have several implications for regulators, practitioners, and academics. Regulators are expected to support mustahik breeders managed by Zakat institutions by providing training to increase farmers' quality. The

training is necessary to support assistance that Zakat institutions also carry out to mustahik breeders. Optimization of mustahik breeders is expected to help the government fulfill the meat needs in Indonesia. In addition, the government also needs to open up opportunities for cooperation with mustahik breeders to become meat providers for the pilgrims. As a country with the largest number of Muslims, the market share for meat needs during Hajj is also large. If the meat needs can be provided by mustahik breeders, it will not only open up new jobs but also reduce the costs incurred by the government regarding the consumption of pilgrims.

Furthermore, for practitioners, ZUMC can be used to design appropriate stockbreeding programs to be implemented in their respective institutions. The use of ZUMC is not limited to stockbreeding programs but to economic programs as a whole. By using ZUMC, the programs and targets to be achieved can be carried out easily. Zakat practitioners can map in detail the programs carried out, starting from the program vision and mission, key partners, customer relationships, customer segments, and so on.

This research still has limitations that can be developed in further research. First, the implementation of ZUMC in this study was only carried out for livestock programs, even though ZUMC could be used for other economic programs. Therefore, other research can be done to implement ZUMC in other economic programs. Second, research on the impact of Zakat has not been carried out continuously on every mustahik. So that the results of the impact study on the Zakat livestock program each year use different respondents. To better describe the quality of life of mustahik, it is suggested that a more comprehensive study of the impact of Zakat is needed by monitoring the same

mustahik from the beginning to the end of the program.

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