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Productive Waqf Management in Realizing Community Welfare in Banda Aceh City

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ABSTRACT

This study aims to examine how the legality of productive waqf management in the Aceh Qanun and the implementation of Law No. 41 of 2004, then see how the implementation of productive waqf is carried out and realize the welfare of the people in the city of Banda Aceh. The type of research used is field research with a qualitative descriptive approach that describes data and information based on facts obtained in the field regarding the management of productive waqf. The result of the research are: First, the legality of productive waqf has not yet been fully regulated in the Aceh Qanun No. 10 of 2018, therefore the implementation of the Qanun has not been maximized, with the reason Baitul Mal is still focused on the management of zakat, infaq and alms. Second, as for the implementation of Law No. 41 of 2004 as stipulated in article 43 verses 2, the concept of management and development of waqf property in Aceh is managed and developed productively in according to its purpose, function and to whom it is. Third, The implementation of productive waqf management in Banda Aceh city is done by renting land, shop, kiosk, landlord or rental houses and so on, because of waqf assets which owned by Banda Aceh city mostly in the form of land and buildings. Fourth, The productive waqf hasn't been yet significant affected to the improvement of public welfare in Banda Aceh city because the acceptance of rental waqf result is still in the lowest point.

Keyword: Productive waqf, Legality, Implementation, Welfare.

I. INTRODUCTION

When talking about the Islamic economy, there are 3 (three) main sectors to utilize the opportunities and potential of the Islamic economy⁴. These sectors are: (1) Islamic real sector, (2) Islamic financial sector, (3) zakat and waqf sector.⁵ Waqf is one of the types of wealth that

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⁴ Economics is the activity of managing the affairs of wealth, both concerning activities to increase the amount of wealth and ensure its provision, which is then discussed in economics, as well as dealing with procedures (mechanisms) distribution, which is then discussed in the economic system. See: Taqiyuddin al-Nabhani, *Sistem Ekonomi Islam*, Translator Hafidz Abd. Rahman, (Jakarta: Hizbut Tahrir Indonesia, 2012), pp. 62.

⁵ Irfan Syaqui Beik, *Optimalisasi Potensi Ekonomi Syariah dalam Memacu Pertumbuhan Ekonomi Berkeadilan*. Presented at the National Seminar on Sharia Economics "Pengembangan Ekonomi Syariah di Kota Tangerang Menuju Indonesia Menjadi Pusat Ekonomi Islam Dunia 2024", PUSPEM Tangerang City, March 27, 2019.

has great potential in terms of economy.

Indonesia is a country with the largest Muslim population in the world. Based on the results of the population census conducted by BPS, Indonesia's population amounted to 237,641,326 people, the data recorded 87.17% of Indonesia's population or 207,176,180 people who were Muslim.⁶ According to Worldometers data, in 2019 Indonesia currently has a population of 270,625,568.⁷ In addition to a very large Muslim population, Indonesia also has the most extensive waqf land in the world. Currently, the recorded waqf land in Indonesia reaches 48,259.38 hectares with 358,280 locations, of which 134,250 do not yet have waqf certificates and 224,030 already have waqf certificates.⁸ With such a large Muslim population and such a vast area of waqf land, waqf in Indonesia has enormous potential as an instrument of development and poverty alleviation.

Waqf in Indonesia, especially in the Aceh area, already has a productive *wakeueh*⁹ (waqf) in Saudi Arabia. It has been known by history, it is the Baitul Asyi waqf established by Habib Bugak Asyi in 1224 H or 1809 AD. In the Baitul Asyi waqf pledge deed, it is stated that the house is used as a waqf for Acehnese who perform Hajj, or Acehnese who live in Makkah.¹⁰ The waqf is currently managed productively in the form of hotel buildings and worth more than two hundred million riyals or Rp 5.2 T as waqf. From this management, pilgrims from Aceh every year receive funds from the management of Habib Bugak Asyi's waqf, the distribution of waqf funds has been going on since a decade ago.¹¹

It is undeniable that the majority of nazirs in Indonesia are less professional in managing the waqf assets mandated to them. Based on the results of a survey conducted by CSRC, the number of nazir who work full-time is minimal (16%). Generally, they work part-time (84).¹² They have permanent jobs, such as civil servants / private sector, traders, farmers and so on that must be prioritized in addition to their duties as nazir. This is the reality in Aceh, that the nazir profession is not an expected profession in society. In addition, nazir is chosen not on a professional basis, but because of their prominence, close relatives of the waqif, or trustees of

⁶ <https://sp2010.bps.go.id/> results of the last census conducted by BPS in 2010 on the number and distribution of the population, accessed on March 28, 2019.

⁷ <https://www.worldometers.info/world-population/indonesia-population/>, accessed on January 10, 2020.

⁸ http://siwak.kemenag.go.id/tabel_jumlah_tanah_wakaf.php, accessed on March 28, 2019.

⁹ It is a term used in the community for waqf in Acehnese.

¹⁰ <https://haji.kemenag.go.id/v3/content/sekilas-sejarah-wakaf-baitul-asyi>, accessed on July 21, 2019.

¹¹ <https://www.liputan6.com/haji/read/3610999/jemaah-aceh-bakal-dapat-dana-wakaf-sebesar-rp-20-miliar>, accessed on July 21, 2019

¹² Tuti A Najib and Ridwan al-Makassary, *Wakaf Tuhan dan Agenda Kemanusiaan Studi tentang Wakaf dalam Perspektif Keadilan Sosial di Indonesia*, (Jakarta: Center for the Studi of Religion and Culture, 2006), pp. 123-124, See also Rozalinda, *Manajemen Wakaf Produktif*, Cet. I, (Jakarta: Rajawali Pers, 2015), p. 52.

the waqif.

Aceh currently has waqf land assets totaling 24,898 parcels and 76,786 hectares.¹³ Many of these waqf lands have not been able to contribute much to Aceh, especially since Aceh is one of the poorest regions on the island of Sumatra¹⁴, with a population of 5,096,248 people¹⁵. Actually, waqf institutions in urban areas have the potential to utilize existing assets for productive waqf. The number of administratively recorded waqf assets in Banda Aceh is approximately 735¹⁶ waqf land locations. Generally, the benefits are still used directly and socially. For example, waqf assets in the form of land are managed by nazir to build mosques or mushalla, some are used for public cemeteries or for educational facilities, such as schools and recitation centers. In terms of management, it can be seen that waqf is generally still intended for social benefits.

In Banda Aceh, waqf land certainly has a high economic value, making it a productive waqf. The benefits that can be taken are of course not only social, but also useful for opening new jobs if utilized to open a home industry for example. Therefore, in addition to the importance of mapping the economic potential that can be developed on certain waqf lands in Banda Aceh City, it is also necessary to explore the main problem why productive waqf management is still little done.

As expected in advancing waqf in Aceh, through the enactment of Law No. 41/2004 on Waqf, the government established BWI as an independent institution in an effort to advance and optimize national waqf. With that, Baitul Mal is an independent institution of specialty and specificity in the Government of Aceh that has the authority to safeguard, maintain, manage, and develop waqf assets through the latest Aceh Qanun Number 10 of 2018, the government expects the management of waqf assets to be better so that it can improve the welfare of the people and the nation's economy. BWI has taken various steps to develop the benefits of waqf assets, with the aim of producing greater benefits to the Indonesian economy such as making non-productive waqf assets productive so that many benefits can be felt.

(A) Materials and method

The type of research used is field research, because the author obtains data related to the material

¹³ This data is the Aceh waqf land data available with BWI as of March 2016. Of course this may change from time to time. <http://bwi.or.id>, accessed on July 21, 2019.

¹⁴ <https://news.detik.com/berita/d-4385686/aceh-provinsi-termiskin-di-sumatera>, accessed on July 23, 2019.

¹⁵ This data is the result of a census conducted by BPS in 2016, see, <https://aceh.bps.go.id/quickMap.html>, accessed on July 21, 2019.

¹⁶ Based on the data collection of waqf land certification in Banda Aceh City issued by the Office of the Ministry of Religious Affairs of Banda Aceh City which has been updated in 2018.

of this thesis by making direct observations to the object of research, to conduct interviews and collect related data. In this case, the researches are Baitul Mal Aceh, BWI Aceh Province, and waqf management institutions in the Banda Aceh area. With the focus of research is productive waqf management in realizing community welfare in Banda Aceh.

The approach in this research is to use a descriptive qualitative approach, namely research that describes data and information based on facts obtained in the field regarding productive waqf management in realizing community welfare in Banda Aceh.¹⁷ The qualitative approach was chosen because the qualitative approach is able to describe and understand the meaning underlying the behavior of participants, describe complex settings and interactions, explore for the process of identifying types of information, and describe phenomena.¹⁸

The research location is a place or object for conducting a study. The research location is in the city of Banda Aceh, Aceh Province. Researchers took the research location because Banda Aceh is the center of the city and government of Aceh, because waqf in Banda Aceh has the potential to be realized productively. So that researchers want to find information about productive waqf management in Banda Aceh.

The primary informants in this study consist of three groups, namely regulators in the form of managers of the Indonesian Waqf Board of Aceh Province or Regional Office of the Ministry of Religious Affairs of Aceh, Baitul Mal Aceh, nazir as waqf managers, and waqf beneficiaries. The activities that will be researched on productive waqf management in realizing community welfare in the city of Banda Aceh in the form of waqf institutions in 3 sub-districts from 9 sub-districts in the city of Banda Aceh. The reasons for the selection are the limited time of the researchers, the selected sub-districts are good waqf management, the validity of the waqf institution data, waqf that has the potential to be developed as productive waqf.

The waqf institutions to be studied are based on activities and data documentation from 2015-2019. The data includes annual reports of waqf management institutions, and productive business plans that have been realized and those that will be realized in the future.

The data collection technique in observation in this research is direct observation, carried out to see firsthand the physical condition and geographical location of the waqf land. In the documentation stage, here researchers will collect data from various sources that are the object of research, such as: BWI Aceh, Baitul Mal Aceh, sub-district KUA, nazir wakaf in the villages that are sampled in this study. The next stage is interviews, which researchers use to extract

¹⁷ Lexy J. Moleong, *Metode Penelitian Kualitatif*, (Bandung: Remaja Rosda Karya, 2000), pp. 211.

¹⁸ Sanapiyah Faisal, *Penelitian Kualitatif: Dasar-Dasar dan Aplikasi*, (Malang: YA3, 1990), h. 22.

data by interviewing local governments such as: Baitul Mal Aceh, BWI Aceh Province, and waqf management institutions in the Banda Aceh city area, as well as waqf beneficiaries.

II. DISCUSSION

In terms of religion, Banda Aceh is the axis for the social and religious dynamics that occur in the province of Aceh. The diversity and religiosity of the people of Banda Aceh is very high, and Aceh is currently a special autonomous region with the implementation of sharia regulated in Qanun.

In addition, the level of community participation in the city of Banda Aceh towards religious activities is very high. This can be seen from tangible things such as the increase in Islamic activities, Islamic banking, the rise of Islamic zakat and humanitarian institutions and the increase in the provision of mosque or meunasah facilities in the city of Banda Aceh, the increasing trust of the middle class towards dayah / pesantren, the increase in the acquisition of zakat funds, infaq and alms, the high public interest in sharia products and the high public interest in Muslim fashion trends. From this explanation, it can be concluded that this phenomenon is an indication of the high level of religiosity of the people of Banda Aceh.

It can be said that the development of productive waqf has a bright future if managed properly. The social, economic, political and religious dynamics in Banda Aceh are great social capital for the development of productive waqf in Banda Aceh.

Based on data from the Indonesian Waqf Board (BWI), waqf assets in Aceh are mostly in the form of land, such as gardens, ponds, rice fields, and so on, some of which are used to build mosques, worship facilities, cemeteries, school houses, etc.¹⁹ In Banda Aceh itself, based on data obtained from the Banda Aceh City Ministry of Religious Affairs office, waqf management is still traditional and consumptive. It can be observed from the implementation of waqf by looking at the utilization and use of the waqf land. The utilization includes mosques, mushalla, meunasah, worship facilities, cemeteries, and Islamic boarding schools.

The form of management on existing waqf assets is found in the form of shop rents, rental houses, kiosks. This is most dominantly done because Banda Aceh is not only the center of government but also a business city. This practice is most commonly practiced by nazir waqf, in addition to easily earning income from rental fees and also the risk accepted is not too great. Another form of waqf management in Banda Aceh is cash waqf. This practice has not been running optimally in the community, as revealed by the chairman of BWI that for cash waqf

¹⁹ <https://baitulmal.acehprov.go.id/?p=1976/Workshop-wakaf-produktif>, accessed on September 26, 2019.

this has been done, step by step socialized to the community, and has collaborated with Bank Mega Syariah²⁰ as regulated in PP RI Number 42 of 2006 that cash waqf must cooperate with Sharia Financial Institutions.

(A) Legality of productive waqf management in Aceh Qanun

The enactment of Qanun Aceh No. 10/2018 on Baitul Mal is one of the efforts to provide a legal umbrella that is expected to encourage the development of waqf in Aceh. In the decade after 12 (twelve) years of the implementation of Qanun Aceh Number 10 of 2007 concerning Baitul Mal as a derivative of the Aceh Government Law (UUPA), it is necessary to further analyze and criticize the effectiveness of its implementation, as well as what efforts can be made to improve the role of waqf better.

The current Aceh Qanun still only provides a legal basis for waqf but has not fully encouraged the nazir itself to develop and manage waqf assets. Similarly, the existing waqf regulations are still only related to waqf arrangements in general, while the rules regarding the waqf of movable objects such as money, stocks have not been further regulated. Therefore, there is a need for further improvement of waqf regulations in the future to also prioritize the efforts of professional development of waqf administrators in a comprehensive and integrated manner.

In fact, Baitul Mal Aceh is not directly involved in the management of waqf in Aceh, but Baitul Mal supervises the people (nazir) who manage waqf.²¹ Baitul Mal's involvement in waqf management in Aceh is in the development of waqf itself. By organizing seminars/workshops or training. Administration and management are the landing sectors of the Ministry of Religious Affairs and BWI, while Baitul Mal functions as a regulator. The administration carried out by Baitul Mal Aceh is that waqf assets that are pledged before PPAIW and have certificates are reported to Baitul Mal to be recorded as waqf assets and belong to the people.

In addition, institutionally, Baitul Mal currently focuses on managing zakat, infaq and sadaqah in Aceh.²² Although the Qanun mentions waqf management, the implementation is still at the stage of coaching and training nazir. This makes waqf management in Aceh not running optimally.

Based on literature and field studies, there is still confusion in waqf management in Aceh in general and productive waqf in particular. The confusion can be seen from the number of institutions that handle waqf in Aceh, namely:

²⁰ Interview with Mr. Abdul Gani Isa, on October 30, 2019, at the Aceh Ulama Consultative Assembly.

²¹ Interview with Mr. Shafwan Bendadeh, on October 25, 2019, at Baitul Mal Aceh.

²² Interview with Mr. Abdul Gani Isa, on October 30, 2019, at the Aceh Ulama Consultative Assembly.

1. The Ministry of Religious Affairs functions as an administrator,
2. Baitul Mal Aceh as the regulator,
3. And the Indonesian Waqf Board as the executor when the waqf is not running properly.

However, there is also confusion about Baitul Mal Aceh, which is not only a regulator but is also appointed as an implementer of education with training for nazir (managers) with the consideration that this institution has strong funds compared to the 2 (two) existing institutions.

The analysis that the author finds is the difficulty of a wakif to endow his property by looking at the flow and rules of waqf, because he must fulfill the 3 (three) institutions such as registration at the Ministry of Religion through the KUA where the waqf is located, then supervision at Baitul Mal, and when the waqf is not in accordance with its function as the executor is BWI. This makes it appear or appear how difficult it is for waqf worship in the special region of Aceh.

From the existing regulations, efforts continue to be made to synchronize so that each of these institutions can run optimally without colliding with regulations. Before the existence of Baitul Mal Aceh, the administration and management of waqf in Aceh was the duty of the Ministry of Religious Affairs through the KUA in each sub-district.²³

To make it easier for waqifs to endow their wealth, the Aceh government must make it easier for someone to endow. For example, making a new Qanun or Law on waqf, which can cover the interests of the government, the interests of wakif and nazir, and the interests of society in general, for example synchronizing institutions that regulate waqf so that people have no difficulty in donating their assets.

Based on the results of the interview, from the agreement that has been discussed from each regulatory agency that Baitul Mal Aceh has a duty to develop, but also assist in training about waqf, including fostering nazir in Aceh as a whole.²⁴

Besides having a strong legal status, Baitul Mal Aceh's strategic role in the development of waqf, especially related to productive waqf, is the answer to the current problems in Aceh. By looking at the capacity of human resources and strong sources of funds, it becomes a great hope for the return of the spirit of Aceh that is well known in its history. With this hope, the management and utilization of waqf will result in the availability of employment, the growth of the community's economy, the availability of superior human resources through educational

²³ Interview with Mr. Shafwan Bendadeh, on October 25, 2019, at Baitul Mal Aceh.

²⁴ Interview with Mr. Shafwan Bendadeh, on October 25, 2019, at Baitul Mal Aceh.

scholarships, and the creation and improvement of community welfare.

Thus it can be seen that the legality of productive waqf management in Aceh has not been fully regulated in the Qanun. The implementation has not been maximized until now, because Baitul Mal Aceh still focuses on the management of zakat, infaq and sadaqah. Baitul Mal's role in waqf management in Aceh is currently still at the stage of nazir development, namely education in the form of seminars and training.

(B) Implementation of Law No. 41/2004 on productive waqf management in Aceh

Law No. 41/2004 on Waqf contains a new institution to oversee the implementation of waqf in Indonesia, the Indonesian Waqf Board. The waqf law stipulates that the Indonesian Waqf Board is an institution that serves as a medium to promote and develop national waqf.²⁵ In addition, the waqf law also stipulates that the Indonesian Waqf Board (BWI) is independent in carrying out its duties.²⁶ The Indonesian Waqf Board is domiciled in the capital city of the Republic of Indonesia and can establish representatives in provinces and / or regencies / cities as needed.²⁷

The existence of BWI is very important. It is related to the efforts to improve the quality of waqf management in Aceh. Because the guidance and supervision of waqf managers since the enactment of the waqf law is the responsibility of BWI. Thus, it is expected that waqf managers in the form of individuals, institutions, or business entities will be able to manage properly. The birth of BWI is more of an anticipation of the future, rather than a response to the needs of the present.

Indeed, the bigger challenge that can be answered well lies in BWI's main task of advancing waqf through the guidance of nazir. This is because the main problem faced by waqf in Banda Aceh is the low quality of waqf management, especially the low quality of nazir.²⁸ Therefore, more intensive coaching is needed.

Based on field findings, BWI for the city of Banda Aceh has not yet formed a board, this factor is due to the fact that the government is not serious about exploring the potential of waqf with the program that has been launched by BWI towards efficient waqf management. The reason the board has not been formed is because Banda Aceh is administratively close to the center of government.²⁹

In Aceh, the most common and widely implemented waqf is waqf of immovable property,

²⁵ Law Number 41 of 2004 concerning Waqf, article 47, paragraph (1).

²⁶ Law number 41 Year 2004, article 47, paragraph (2).

²⁷ Law number 41 Year 2004, article 48

²⁸ Interview with Mr. Yus'adil, on 23 October at the Religious Affairs Office of Jaya baru Banda Aceh.

²⁹ Interview with Mr. Abdul Gani Isa, on October 30, 2019, at the Aceh Ulama Consultative Assembly.

especially land. The management of waqf assets in the form of land that takes place today is still managed very simply and even stagnates without any change.

Based on data from the Ministry of Religious Affairs of Banda Aceh city, the allocation of waqf assets is in accordance with the purpose and function of waqf. However, the management and development of waqf assets is still not productive, even though productive cultivation of land is urgently needed for greater benefits and benefits.

As stated in Article 22, in order to achieve the purpose and function of waqf, waqf assets can only be used for:

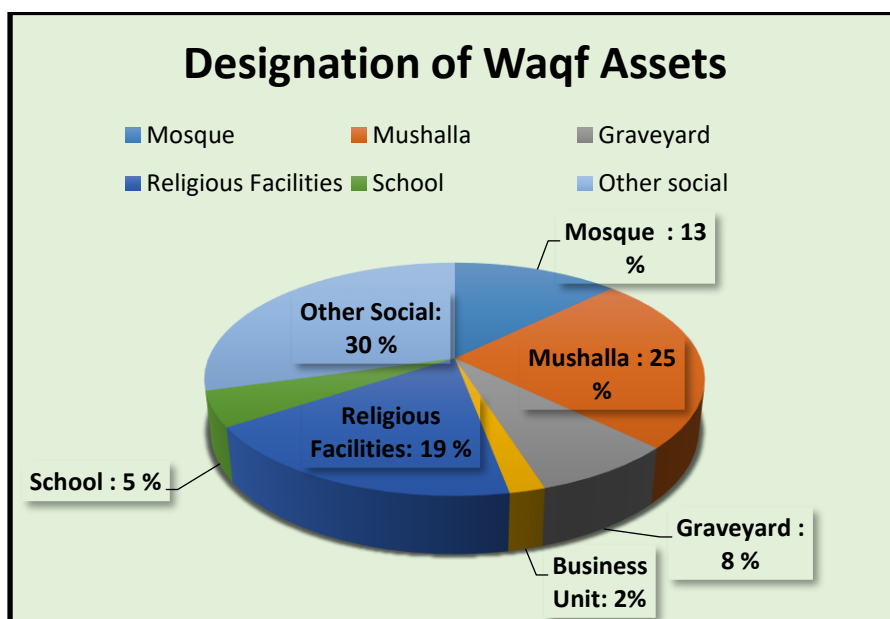
1. Facilities and activities of worship;
2. Educational and health facilities and activities;
3. Assistance to the poor, abandoned children, orphans, scholarships;
4. Progress and improvement of the people's economy; and/or
5. The advancement of other public welfare that is not contrary to sharia and laws and regulations.

Many waqf designations in the city of Banda Aceh are realized in the form of mosques, mushalla and other religious facilities. The designation as mentioned in article 23 is done by the waqif in the implementation of the waqf pledge. However, if the waqif does not determine the allocation of waqf assets, nazir can determine the allocation of waqf assets in accordance with the purpose and function of waqf.

As happened in the city of Banda Aceh, many waqf practices are designated in accordance with what has been mandated and determined by the waqif, even though at the beginning of the waqf pledge it was still in the form of vacant land.

The following graph shows the allocation of waqf assets in the city of Banda Aceh:

Chart 1. Allocation of Waqf Property (Land) in Banda Aceh



Source: Census Data of the Ministry of Religious Affairs of Banda Aceh City in 2012 (processed)

Matters that hinder efforts to make waqf land more productive can be stated as follows:

1. Lack of funds or costs to cultivate or empower existing waqf land.
2. Low public trust in productive waqf empowerment.
3. There is still no agreement among scholars on the conversion, change or exchange of waqf land for more beneficial purposes.
4. Inadequate capability of waqf managers due to lack of knowledge about waqf or waqf management issues. Therefore, it is not surprising that the management of waqf land by nazir at this time is generally still of a minimal standard, and has not been carried out professionally.

From the results of the field study, the implementation of waqf Law No. 41/2004 is not running as it should. Through field analysis of existing waqf and through the government itself. Meanwhile, the existing Qanun has not been able to cover the existence of productive waqf thoroughly and in detail. To fill the legal vacuum or legal vacuum, the Aceh government should make a governor's regulation governing the waqf.

Regarding regulations, BWI is national in carrying out its duties, without being hampered by the current regulations in Aceh. Especially the existence of Baitul Mal, which also makes regulations regarding waqf. The duties and functions of each of these institutions have portions and responsibilities in the rules and activities held by each institution. The commitment built for better waqf management, these institutions support each other in terms of funds, namely

Baitul Mal and Human Resources from BWI in the practice of activities that have been carried out so far.³⁰

Thus it can be seen that the concept of management and development of waqf assets as regulated in Law Number 41 of 2004 article 43 paragraph 2 waqf assets are managed and developed productively in accordance with their objectives, functions and designations. productive waqf in Aceh and especially Banda Aceh has not run optimally. Efforts to socialize and foster productive waqf continue to be carried out by BWI. Management and development are still limited to physical development and maintenance of waqf assets.

(C) Implementasi pengelolaan wakaf produktif di kota Banda Aceh

The analysis of the implementation of productive waqf management in Banda Aceh city is divided into three parts: 1) the utilization of waqf assets and their management, 2) nazir's understanding and knowledge of productive waqf, and 3) the community's response to productive waqf, the concept of development and the constraints nazir face.

1. Waqf assets, their utilization and management

The sample in this study, the allocation of waqf in 3 sub-districts in the city of Banda Aceh is almost entirely for social activities such as meunasah/mushalla, public cemeteries, mosques, recitation halls, schools, poor houses, geuchik offices, polindes or what is referred to as waqf that can be directly utilized. There is nothing entirely in the form of business productive waqf.

Jaya Baru sub-district with Gampong Punge Blang Cut as the first sample in this study has 21 parcels of village waqf land assets, which is different from the data owned by the Ministry of Religious Affairs which recorded 23 parcels. This is proof that the data is not in sync with the reality on the ground.

Nevertheless, the utilization and management of waqf in Punge Blang Cut village is good. The Nazir interviewed is very experienced and understands productive waqf. There are shops and rental houses as productive assets that have been developed for village income.

The steps taken to empower waqf assets to be productive must be approved by the community and village officials, and this process gets both positive and negative assessments from the community. As nazir said that the paradigm in the community is very difficult to change the allocation of waqf assets to be empowered to be productive, this factor is due to the culture and level of education in the community.³¹

³⁰ Interview with Mr. Abdul Gani Isa, on October 30, 2019, at the Aceh Ulama Consultative Assembly.

³¹ Interview with Mr. Tgk. Marwan, on October 30, 2019, at the Nazir Residence of Gampong Punge Blang Cut.

Then the second sample is Lamglumpang village. Nazir waqf gampong Lamglumpang, Mr. Anthony agrees that the allocation of waqf land is empowered for productive activities. However, the obstacle experienced is the absence of funds to manage and develop these waqf assets. Productive waqf assets currently developed are in the form of rental houses and kiosks developed from village funds. The funds obtained from the management are utilized to pay the salary of the meunasah/mushalla gampong marbot and the maintenance of the mushalla/meunasah.³²

The reporting of cash income and expenditure from the management of productive waqf, which is carried out in Lamglumpang village is once every 1 (one) year, by giving an announcement on the first night of the holy month of Ramadan and the village notice board located near the mushalla/meunasah.

Mr. Anthony is the secretary of the nazir organization in Lamglumpang. Mr. Anthony's knowledge about waqf is very simple, believing that waqf land cannot be traded and must be in accordance with the designation. For this reason, the waqf assets currently managed become difficult to develop into productive waqf if the understanding of the nazir is in accordance with the designation of the waqf.³³

The same thing was also conveyed by Raza, that the community wants the allocation of waqf to be in accordance with the mandate of a waqif. But it does not rule out the possibility to be managed for the better by getting added value from the management of these waqf assets.³⁴

From the explanation above, it is clear that waqf assets in Lamglumpang gampong cannot be developed due to the understanding of the management and the surrounding community that waqf must be in accordance with its designation.

The third research sample in Baiturrahman sub-district is Neusu Aceh village. The allocation of waqf assets is not much different from the other sub-districts that the author has mentioned above. The factors experienced are also the same, because the community paradigm is very conditional on the designation of worship.

Based on the interview, the nazir's efforts in curbing waqf assets (land) are very caring, despite receiving criticism and interference from the community. It does not stop there, even to change the designation alone to receive the same threat. This made the nazir to resign from the nazir

³² Interview with Mr. Anthony Sinuraya, on October 25, 2019, at the Office of Keuchik Gampong Lamglumpang.

³³ Interview with Mr. Anthony Sinuraya, on October 25, 2019, at the Office of Keuchik Gampong Lamglumpang.

³⁴ Interview with Raza Yusuf Akbar, on October 27, 2019, at Warkop Solong Mini, Banda Aceh.

gampong membership.³⁵

Management is still done simply where the flow of funds coming from the community is announced on every Friday prayer opportunity. The management of village productive assets in the form of shops and kiosks is managed simply, starting with bookkeeping of income and expenditure flows recorded manually. The proceeds are used for gampong events and commemoration of Islamic holidays. However, under the leadership of the nazir, waqf activities are optimistic to be able to develop and utilize these waqf land assets to be more productive.

In this study, the allocation of waqf in 3 sub-districts, where the author took research samples, illustrates that the condition of waqf land is managed very traditionally.

Based on field findings, productive waqf management in Banda Aceh city is still simple or traditional. The management is done by nazir gampong, which is voluntary and social. No one works full time, the average administrator is of unproductive age either retired or working as a trader, a small portion is of productive age but the management is also a side job.

From a practical point of view, the difference between traditional and modern management is more a difference between simple and complex management. Of course, differences arise in the level of complexity, such as the number of interacting parties, the number and magnitude of expectations to be met, the amount of time available, and the resources required. The following points illustrate that productive waqf management in Banda Aceh city is still traditional:

- a. The waqf assets that grow and develop in Aceh are mostly managed by administrators or nazir who cling to a tradition of rigid business management, lacking innovation and as a social or voluntary side job.
- b. Productive waqf assets that grow and develop in Aceh are mostly simple businesses or simple management processes with small risks.
- c. The pattern of waqf asset development is relatively unchanged (due to the lack of competence owned by nazir).

Most of the waqf asset locations in this study are strategically located on the side of the main road that is passed by public transportation. Some are located in the middle of residential areas that are easily accessed by the surrounding community. And because they are located in urban areas, most waqf locations are close to public facilities such as markets, shops, offices, government offices, and schools.

Due to its strategic location, the waqf assets in this study have a fairly high Tax Object Sale

³⁵ Interview with Drs. Badlisyah, on October 29, 2019, at the Keuchik Office of Gmapong Neusu Aceh.

Value (NJOP) ranging from IDR 800 thousand to IDR 10 million, which in itself makes the waqf assets in this study valuable. This estimate of waqf assets is based on calculations made by the nazir himself and includes the estimated value of land and building assets.

The value of these assets will increase in line with the increase in the tax object sales value in the city of Banda Aceh. The value of waqf assets will also increase by itself in accordance with the maximization of the management and utilization of waqf assets through the development of business units, as done by 3 gampong from 3 sub-districts in this study.

Meanwhile, all waqf assets in the form of mosques depend on zakat, infaq and sadaqah funds from the surrounding community. In addition, some waqf assets that have business units are also a source of regular income for the manager.

2. Pengetahuan nazir tentang wakaf produktif

In general, the nazirs do not know what productive waqf is. They, the nazir who became the informants of this study, could understand what productive waqf meant when they were involved in interviews with researchers. From what was found in the field, it can be mentioned that there are 2 (two) categories of groups related to nazir's knowledge of productive waqf. First, although they do not know productive waqf, they do not necessarily reject what is meant by this term. Second, although they do not recognize the term productive waqf, but in practice they have implemented what is meant by productive waqf. This means that this second group actually has experience in running productive waqf.

Nazir who fall into the first group do not recognize what productive waqf is. Nevertheless, they do not reject the importance of productive waqf. As stated by Mr. Anthony Sinuraya, nazir of Lamglumpang gampong, Banda Aceh. "For the development of waqf, I agree with the existence of productive waqf. But there are still many waqf in the village that are idle and not developed, meaning that they are not productive."³⁶

The nazir's statement above shows that the concept of productive waqf in the Banda Aceh city area is well known, it is just that not many have practiced it. In other words, the nazir have no problem with the concept of productive waqf. This is because they adhere to the principle of waqf itself, which is assets that are managed to "help the weak, the needy, and alleviate poverty."³⁷

The allocation of waqf land in Banda Aceh is mostly for mosques, meunasah/mushalla and educational institutions. Although it is unknown whether their ignorance of productive waqf is

³⁶ Interview with Mr. Anthony Sinuraya, on October 25, 2019, at the Keuchik Office of Gampong Lamglumpang.

³⁷ Interview with Mr. Anthony Sinuraya, on October 25, 2019, at the Keuchik Office of Gampong Lamglumpang.

related to the practice of waqf management, the trend of waqf management is still non-profit oriented, such as for the construction of mosques and schools. Perhaps this fact has something to do with the history of Islam, which made mosques the center of Islamic education, madrasas, and recitations, in addition to being a place of worship. Therefore, it is commonly found that if a mosque is built on waqf land, a madrasah, school, or TPA is also built.

Among the waqf managers there are also those who have practiced productive waqf. These managers fall into the category of the second group as mentioned above, that is, although they do not recognize the term productive waqf, but in practice they have implemented what is meant by productive waqf. Among the nazir, some of them have actually participated in activities/training that discuss productive waqf but it is not enough for him to deliver information about what is meant by productive waqf. As stated by Tgk. Marwan, nazir of Punge Blang Cut village, Banda Aceh. "I have heard about productive waqf but in practice it has not been implemented. So productive waqf is when the existing waqf is used for several purposes, education, mosque, with the waqf assets remaining intact and available."³⁸

Tgk. Marwan's experience in managing productive waqf began with building shops and rental houses. He admits that the shops and rental houses managed by his waqf institution are business units that generate income. Built on waqf land that was originally vacant land, these shops and rental houses provide income for his waqf institution. The money from the rental is planned to be used for village activities that are more useful and maslahat. This is planned, because the proceeds of the management have not yet been used, waiting for the *reusam* (rules) of the village that have not yet been approved by the Mayor of Banda Aceh.

What could explain why some waqf donors in Banda Aceh want to develop productive waqf? A possible answer to that question is to look at the nazir's concept of waqf. For them, waqf is "an object that can be utilized for the public interest but the item does not diminish"³⁹, and "the funds will be used for the mosque and the benefit of the people"⁴⁰. Therefore, as long as productive waqf does not violate the principle of waqf itself, the development of productive waqf according to the nazir is possible.

From this, it can be seen that nazir's understanding of productive waqf is still low. They do not know clearly what and how productive waqf is. The practice of productive waqf through business units as they have done is not based on their knowledge of the importance of developing productive waqf. Rather, it is an initiative to find other sources of funds to fulfill the

³⁸ Interview with Mr. Tgk. Marwan, on October 30, 2019, at the Nazir Residence of Gampong Punge Blang Cut.

³⁹ Interview with Mr. Tgk. Marwan, on October 30, 2019, at the Nazir Residence of Gampong Punge Blang Cut.

⁴⁰ Interview with Mr. Anthony Sinuraya, on October 25, 2019, at the Keuchik Office of Gampong Lamglumpang.

operational and maintenance needs of the waqf assets they already have. In addition, the practice of leasing is part of the culture of urban society.

3. Community response to productive waqf

The belief in the permissibility of productive waqf is of course based on the norm that waqf is to empower the people. A mosque built on waqf land can be a source of income for the management institution and can also benefit the surrounding community. This is because there is a belief that today's mosque buildings are not merely places for ritual worship. Nowadays, in many big cities in Indonesia, mosques are built in stages, with the intention that they can be used for prayers (on the upper floors) and also for multipurpose rooms (on the ground floor). Observations and phenomena by looking at mosques like this, informants in the position of waqf beneficiaries believe that productive waqf can be developed, even in the mosque itself. They believe that the efforts made are directed towards meeting the needs of the community and religious activities carried out in the village.

This belief certainly illustrates the community's trust in the nazir. That is, the community members believe that productive waqf management is ultimately also for the benefit of the community.

On the other hand, productive waqf management is rejected by residents, based on the results of research conducted in Neusu Aceh village, the local community rejected the nazir's efforts to develop productive waqf. As nazir who was interviewed, admitted that he received threats from local residents (youth) so that the waqf land that has been utilized at this time should not be disturbed and changed to profit. This is unfortunate, because of this incident, the nazir voluntarily resigned from his position due to threats from the community.

The people in Banda Aceh city in this case can be concluded that for productive waqf management, they give positive and negative responses. The positive response in this case mauquf 'alaih towards productive waqf is not because their understanding is good enough, but rather selling services through a rental system has been done by many people and has become part of the culture of urban society. If this is done on waqf land, according to them, it is certainly better because it will provide additional funds in addition to the community's need for multipurpose buildings, for example, which is quite high in the city of Banda Aceh.

(D) The role of productive waqf in realizing community welfare in the city of Banda Aceh

Looking at the research data, waqf in the city of Banda Aceh is mostly used for places of worship, meunasah/mushalla, recitation halls, Islamic boarding schools, schools, etc. Few are

used to establish business activities such as shop houses, kiosks, rental houses, and other business units. Few are used to establish business activities such as shop houses, kiosks, rental houses, and other business units. The proceeds from the current management in Banda Aceh are still limited to the structure of physical development, mosque maintenance, and for religious events. It is clear that the social factors of waqf itself are not touched at all, such as the improvement of human resources through education, economic resources through SMEs, and others to improve the welfare of the people in general.

Waqf should have implications for the community's economy, but in the city of Banda Aceh itself the implications for the community's economy are still lacking. Because the allocation of waqf is not productive and only a little can be enjoyed from the management, the institution that handles waqf should be more observant of the existing waqf problems, professionalism is needed so that waqf can develop and its social functions can be optimized which will have implications for improving the welfare of the community's standard of living. Managers must also be more innovative in managing waqf in other forms, such as cash waqf.

The existence of nazir plays a very important role in the development of a waqf asset. Because nazir is the manager of waqf mandated by the waqif. Nazir is a very important element of waqf. This is because the success or failure of waqf is largely determined by the quality of the nazir who manages the waqf.

The managers of waqf institutions in Banda Aceh must care about realizing a just and prosperous society. Waqf institutions, especially those that are based on organizations or legal entities, can become one of the alternative sub-systems in society that work hand in hand with other sub-systems of society in solving regional problems. Waqf as one of the religious institutions in Islam has a direct functional relationship with efforts to solve social and humanitarian problems such as improving human resources, community empowerment and poverty alleviation experienced by Aceh today based on national regional statistics.

Regulations governing waqf in Aceh, especially Baitul Mal, should be at the forefront of regulations that benefit waqf in the province of Aceh. This is a mandate from the Aceh Government Law for Baitul Mal to be involved in the management of religious assets, especially waqf assets in Banda Aceh. Baitul Mal Aceh's strategic role in the development of waqf, especially related to productive waqf, is the answer to the solution to the problems in Aceh today.

Then, the existence of a national waqf system can be done as a possible alternative in realizing social security to the community. This is due to the enactment of Law Number 41 of 2004

concerning waqf, which mandates the Indonesian Waqf Board to manage national and international assets. Fundamentally, waqf requires that the principal of the asset is eternal and perpetual, so that it is managed and the results are earmarked for social security programs including for community empowerment.

In the provisions of the Law, there are two models of cash waqf, namely cash waqf for a certain period of time and cash waqf in perpetuity.⁴¹ Cash waqf for a certain period of time must be invested in banking products to make it safer and easier for the waqf party to receive the money back at maturity. While cash waqf in perpetuity, the nazir has full authority to manage and develop the waqf money to achieve the objectives of the waqf program.

Cash waqf which should and is expected to help the community in overcoming economic problems in reality in the city of Banda Aceh has not been realized at all. The reasons are, *firstly*, the majority of waqifs do not know the cash waqf procedure.⁴² *Secondly*, they are afraid that their money will not be distributed to the right place to receive it. *Third*, they only know that waqf is in the form of land.⁴³

The same is the opinion of Nasruddin, as the head of the KUA of Ulee Kareng District. He said that cash waqf has not been realized in the city of Banda Aceh because people always assume, *first*, that waqf in the form of land will always get rewards as long as the land is still used. *Second*, waqf in the form of money will run out when the money is used⁴⁴. *Third*, waqf in the form of money is more dominant to be corrupted.⁴⁵

The right solution to overcome these problems is to optimize the management and social functions of waqf which will make waqf more productive. One of the forms of waqf productivity is by empowering cash waqf as the right problem solving, especially in the condition of people who really need help compared to land waqf with unclear results. The difficulty of employment makes it difficult for people to overcome economic problems. So they need capital assistance to create or develop their business. Here the role of waqf institutions should be more responsive to the problems of society in the economic field. Waqf institutions should think about waqf that is more useful and very helpful in improving and realizing the economic welfare of the community. And cash waqf turns out to be very useful in the current

⁴¹ Government Regulation No. 42/2006, Article 48 paragraph 3: In the event that LKS-PWU receives cash waqf for a certain period, the nazir can only manage and develop cash waqf assets at LKS-PWU.

⁴² Interview with Raza Yusuf Akbar, on October 27, 2019, at Warkop Solong Mini, Banda Aceh.

⁴³ Interview with Mr. Tgk. Abdul Manaf, on 28 October 2019, at the Religious Affairs Office of Baiturrahman Sub-district.

⁴⁴ Interview with Mr. Drs. Nasruddin, on 25 October 2019, at the Religious Affairs Office of Ulee Kareng District.

⁴⁵ Interview with Mr. Bustaman, on October 30, 2019, at the Baiturrahman Grand Mosque.

conditions, because cash waqf is not only able to increase economic growth, but also able to create income equality, especially for people who originally did not have business opportunities to have business opportunities, and for people who originally did not have income to have income.

There are at least several methods that can be developed by nazir for productive waqf to create community welfare, as follows:

1. Raising funds from available waqf sources

The context of raising waqf by collecting available waqf sources, the strategy that can be used is a proposal to donors or prospective waqf by explaining the waqf development program/plan in the village. Then socialization through social media with waqf campaigns that cannot directly see field conditions. Another source that can be explored by nazir is social funds issued by companies or businesses. This technique or strategy has not been used by many nazir who utilize the media and funds.

2. Producing waqf assets

This effort can be done by building business and economic units that generate income for nazir. The strategies used to produce these assets are product sales, leasing of facilities, cooperation with the business world/companies, cooperation with community participation around the waqf land, and establishing a PT or CV to increase production capacity.

3. Empowering waqf results for mauquf 'alaih

Another waqf raising strategy that can be applied is to empower waqf products for mauquf 'alaih. Since the object is mauquf 'alaih, nazir must empower the waqf recipient productively and not just as a free/consumptive gift. This means that when distributing waqf proceeds in the context of empowering mauquf 'alaih, it also provides income, both to nazir directly or indirectly and to the recipients themselves in the form of financial and general benefits. The strategies used in this case are training and training, establishing activity centers on waqf land in developing social entrepreneurship, and developing social enterprises for weak communities around the waqf land.

Based on the description that has been explained, waqf managers should be more courageous in innovating, not just sticking to existing assets. Instead, they should make a new breakthrough

in the field of waqf by managing waqf more productively, one of which is the development of cash waqf, the benefits of which are not only felt by the people in the city of Banda Aceh but also by the local community.

This research found that the city of Banda Aceh has good potential for productive waqf. The choice is up to the community, the government and the Muslim community, whether this productive waqf potential will only be a potential on paper, or can actually become a real potential so that the slogan of waqf for the welfare of the community can be truly realized.

Thus it can be seen that productive waqf has not yet had a significant impact on improving the welfare of the people in the city of Banda Aceh. The reason is the lack of revenue from the rental of waqf assets. However, according to the author's estimation, if managed properly, in the next 10 years it will have a significant impact on the welfare of the people in the city of Banda Aceh.

III. CONCLUSION

From the results of the research and data analysis, it can be concluded as follows:

1. The legality of productive waqf has not been fully regulated in Aceh Qanun Number 10 of 2018 concerning Baitul Mal. The existence of Qanun Aceh still only provides a legal basis for waqf. As an institution mandated by the Aceh Government Law, the implementation is not optimal, the reason is that Baitul Mal is still focused on managing zakat, infaq and alms.
2. The concept of management and development of waqf assets in Aceh as stipulated in Law No. 41 of 2004 article 43 paragraph 2 waqf assets are managed and developed productively in accordance with their objectives, functions and designations.
3. The implementation of productive waqf management in Banda Aceh has 2 forms, namely land and buildings. The form of productive waqf management in Banda Aceh is carried out by leasing land, shop houses, kiosks, rental houses and so on. Efforts to empower waqf assets to be productive are constrained by funds and nazir's understanding and support from the community. The problems that occur in productive utilization of waqf assets require understanding and innovation for more effective and efficient management.
4. Productive waqf has not played a significant role in improving the welfare of the community. This is due to the lack of revenue from the rental of waqf assets. Waqf management is still limited to physical development structures, the use of funds for religious activities, mosque maintenance, and so on.

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