

# **“The Role of Government in Zakat Development in the Era of 4.0”**

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# Profile National Islamic Finance Committee

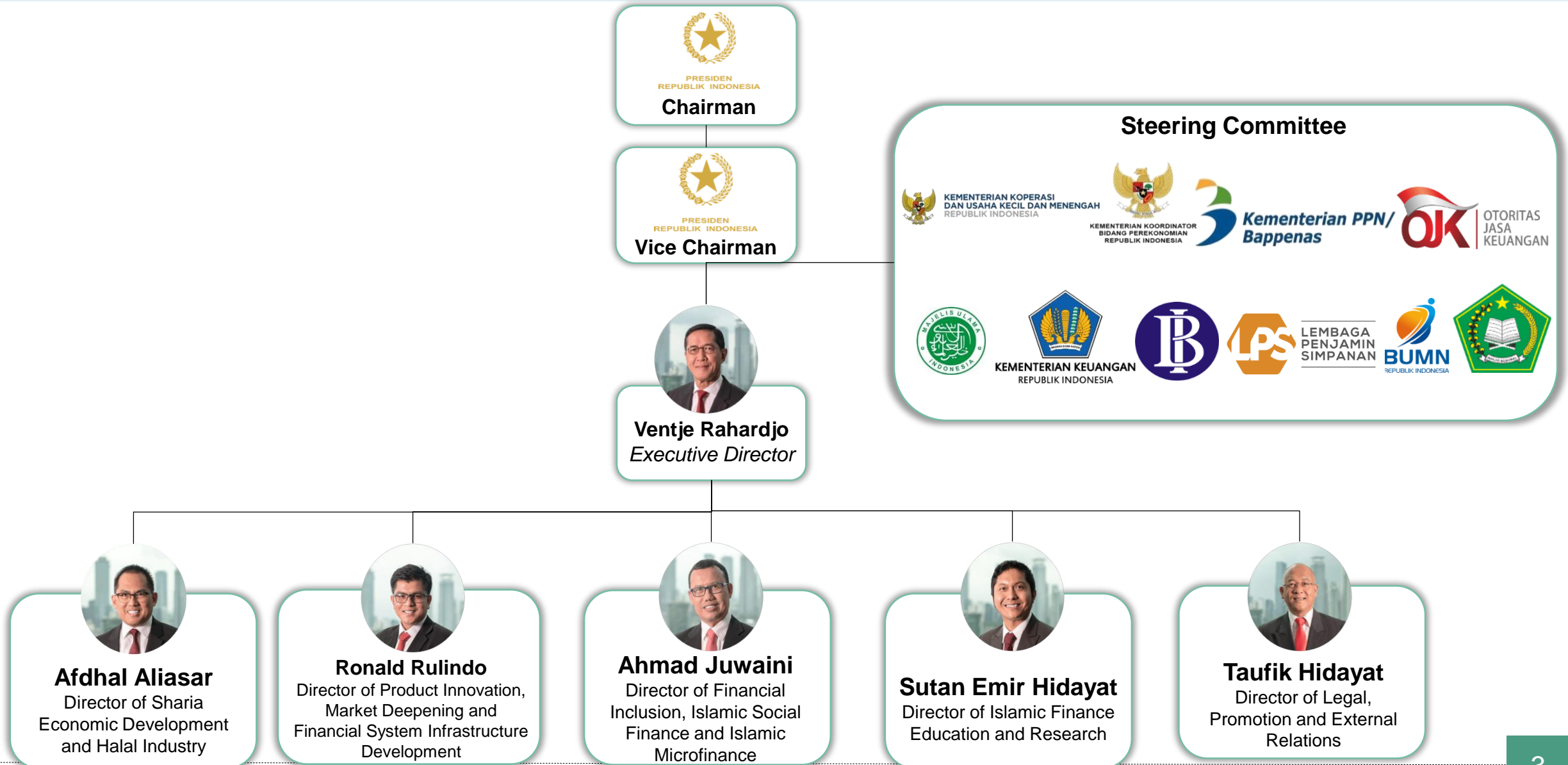


Established under **Presidential Regulation Number 91/2016**. Launched by The President of Republic of Indonesia at Presidential Palace on 27<sup>th</sup> July, 2017.

KNKS is a State Strategic Institution that functions as a **mediator** and **catalyst** for the activities of the Indonesian Islamic economy for all interests of national and international scale.

The main task of the KNKS is to **accelerate**, **expand** and **advance** the development of Islamic economics to support national economic development.

# Organizational Structure



## Roles

**Accelerating, expanding, and advancing** the development of Islamic Finance to support the national economic development.

## Functions

Recommend the policy directions and strategic program in Islamic financial sector

To coordinate the arrangement of policy direction plans and strategic program implementation in Islamic financial sector

To formulate and recommendation the resolution of issue in Islamic financial sector

To supervise and evaluate the implementation of policy directions and strategic program in Islamic financial sector



# Main Programs of KNKS



**Initiation of Establishment of  
Islamic Investment Company**



**Development Islamic Digital  
Payment System**



**Strengthening Islamic  
Banking**



**Strengthening Indonesian  
Network for Islamic  
Economic Studies (INIES)**



**Initiation Takaful World  
Class Operator**



**Standardization and  
Integration of National  
Zakat Data**



**Development of Islamic  
Social Security**



**Development Indonesia  
Zakat Friendly  
Movement**

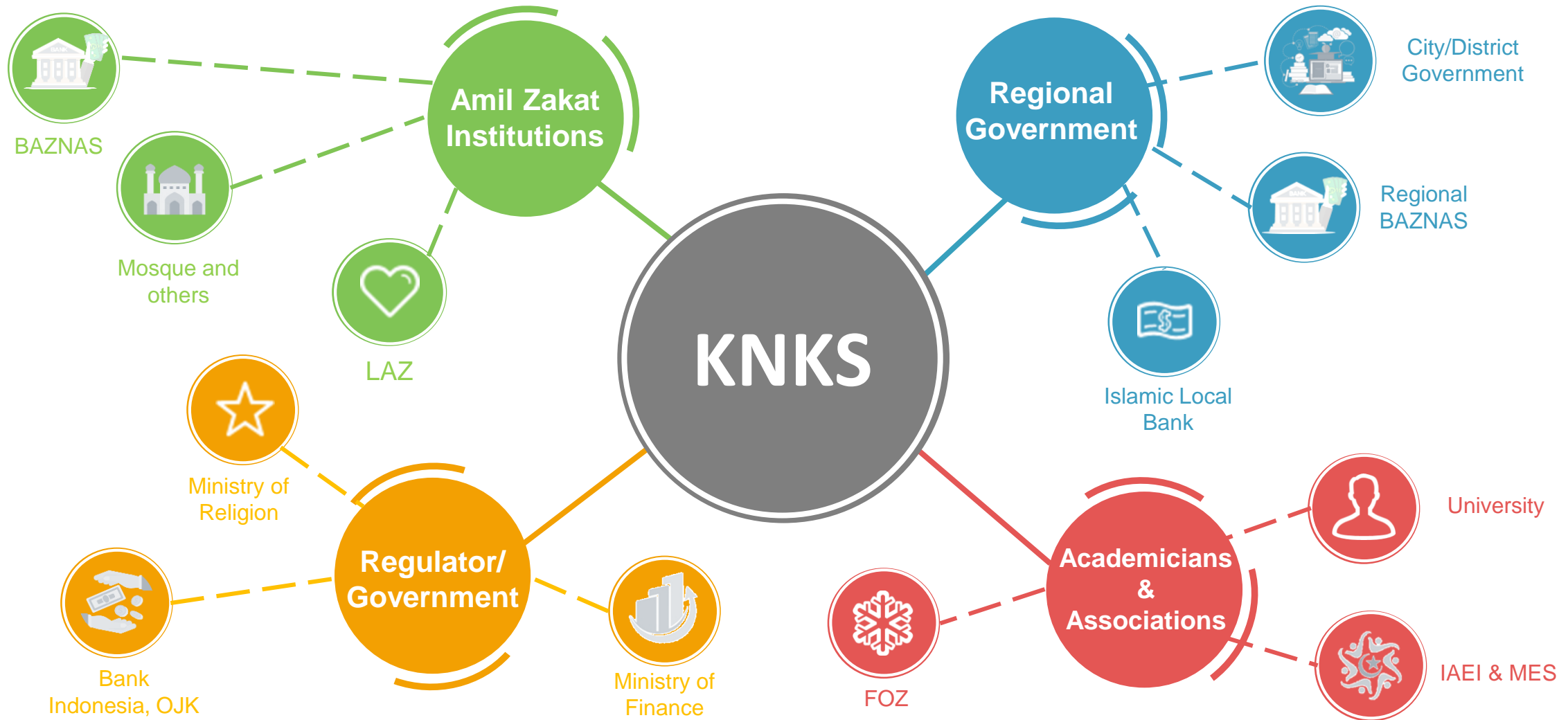


**Development Halal  
Marketplace**



**Standardization and  
Integration of BMT Data**

# The Roles of KNKS in Zakat Ecosystem in Indonesia



KNKS is being **Coordinator** and **Catalyze** Zakat Ecosystem Development in Indonesia



**MAKSI** and **MEKSI** became a joint reference in developing Indonesia's Islamic economy and finance.

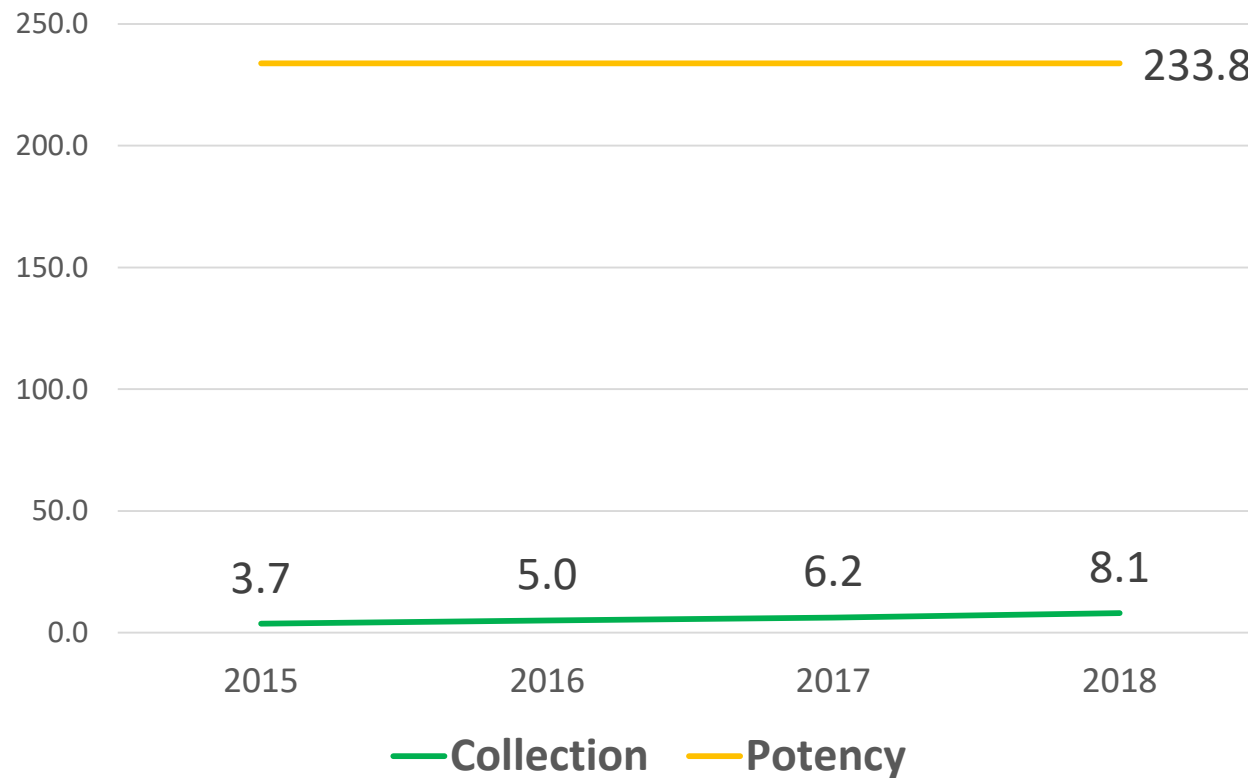
# **ZAKAT DEVELOPMENT IN INDONESIA**





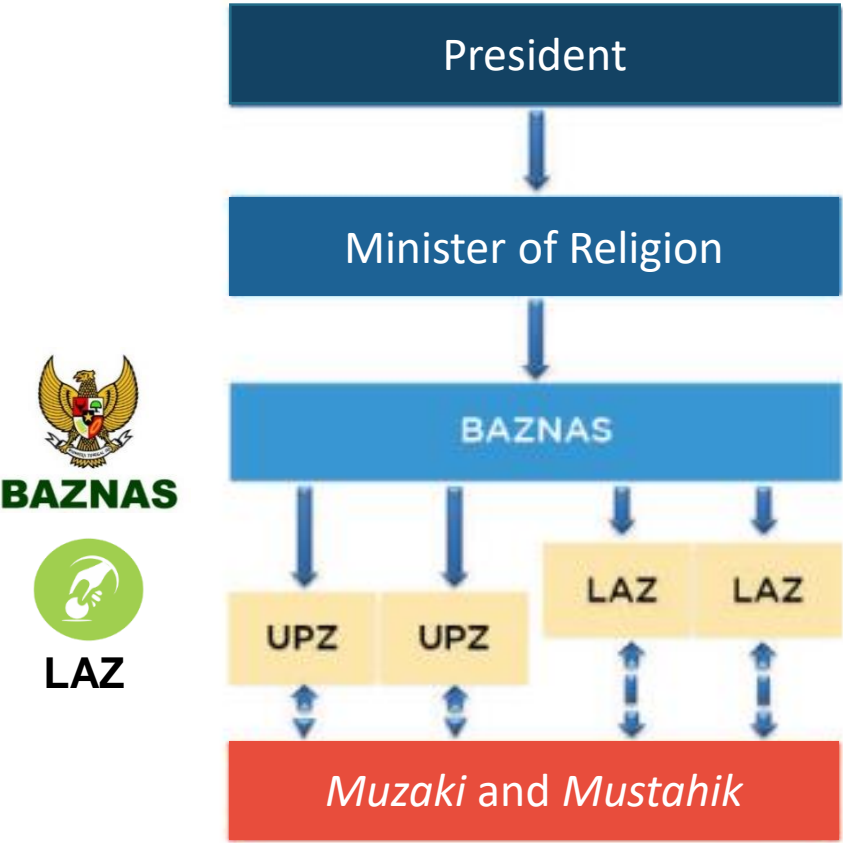
# Zakat Collection in Indonesia is Still Not Optimal

## Collection vs Potential of National Zakat (trillion)



Collection of Zakat is still **3,5%** from its potency.

## Zakat Institutional Structure in Indonesia



## Total Registered BAZNAS and LAZ in Indonesia

SCALE	TOTAL	
	BAZNAS	LAZ
National	1	25
Province	34	12
District/City	514	33
<b>Total</b>	<b>549</b>	<b>70</b>

Source : BAZNAS Report, March 2019.

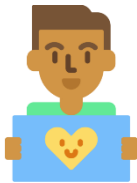
## Amil Institution Not Registered



Local LAZ



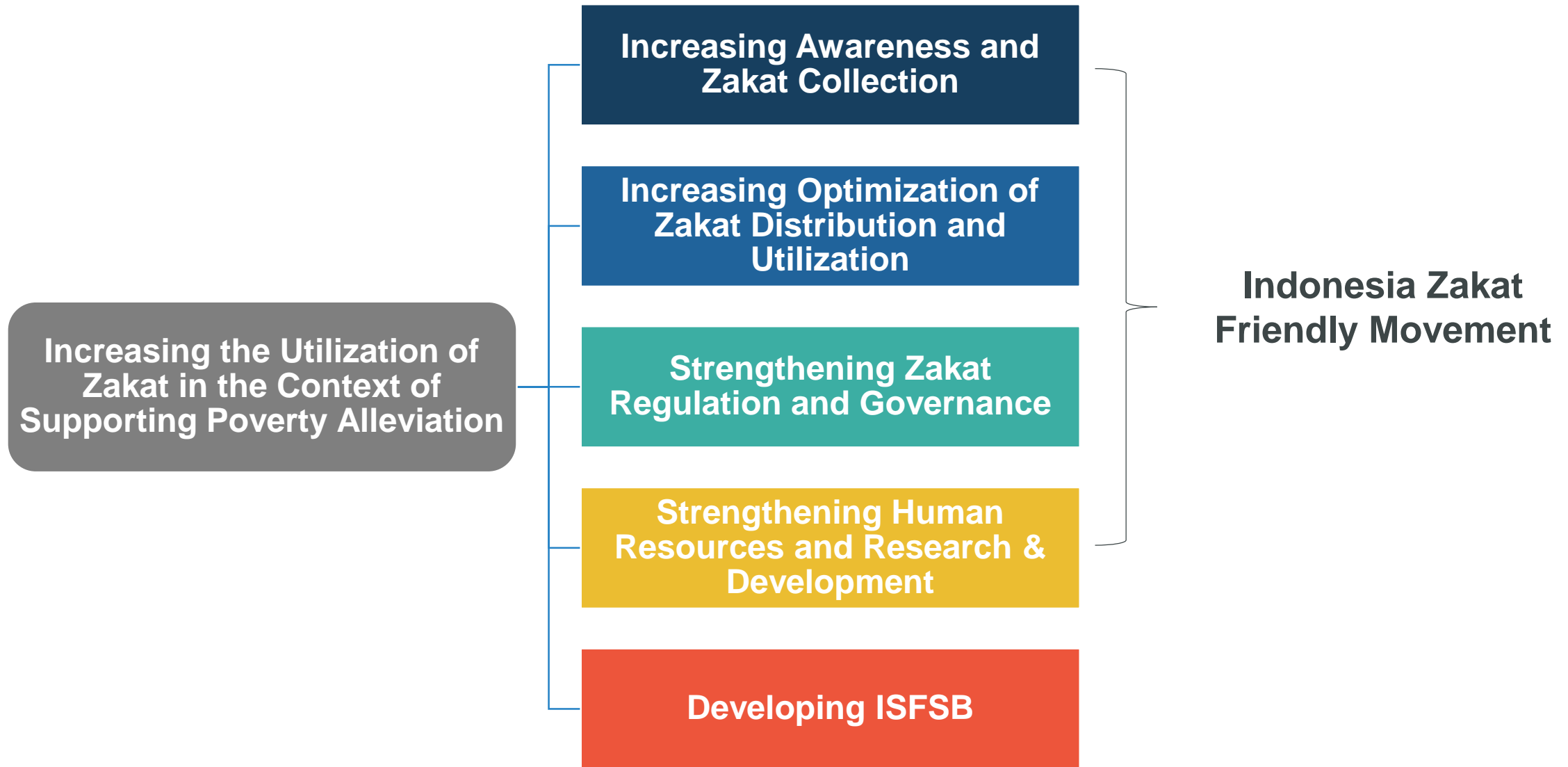
Mosque



Orphanage



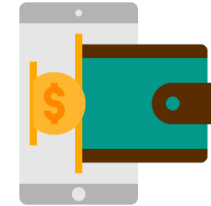
Islamic Boarding School



# 4 Big Programs of Indonesia Zakat Friendly Movement



**1** **Strengthening Education and Socialization of Zakat Awareness**



**2** **Strengthening Zakat Collection**



**3** **Strengthening Distribution and Utilization of Zakat**

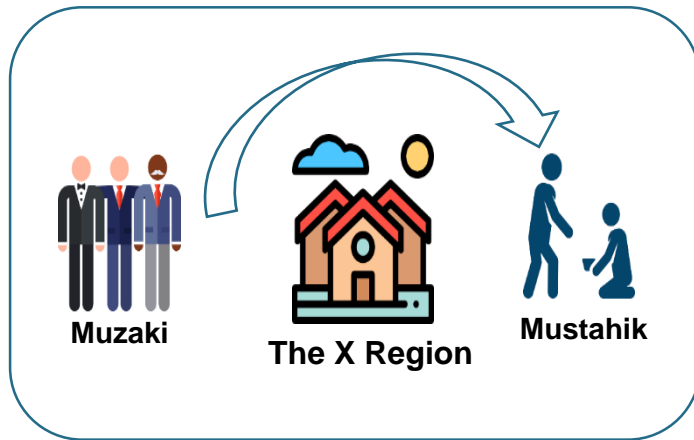


**4** **Indonesia Zakat Friendly Award**



## Optimization of Zakat for Regional Poverty Alleviation

**Develop and strengthening regional zakat management**



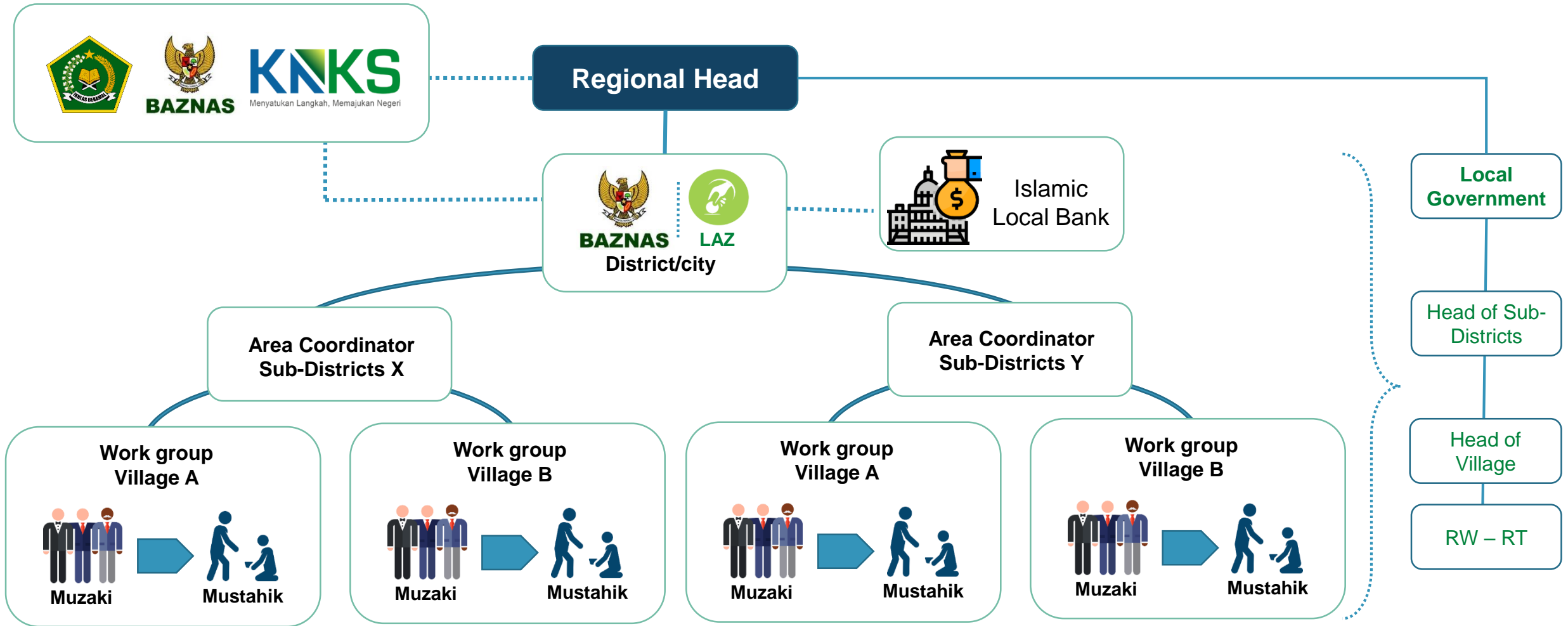
**Distribution based on the poor basic needs**



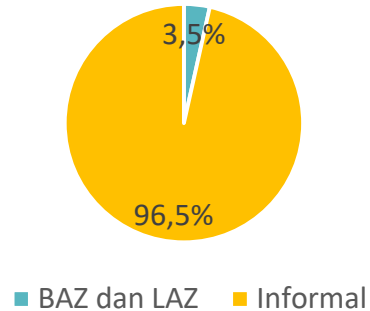
**Integrated with national program and technology-based**



# Regional Zakat Management Model



## Zakat Collection



The majority of zakat funds are still paid in informal institutions.

**96,5%**  
Zakat data is not recorded.

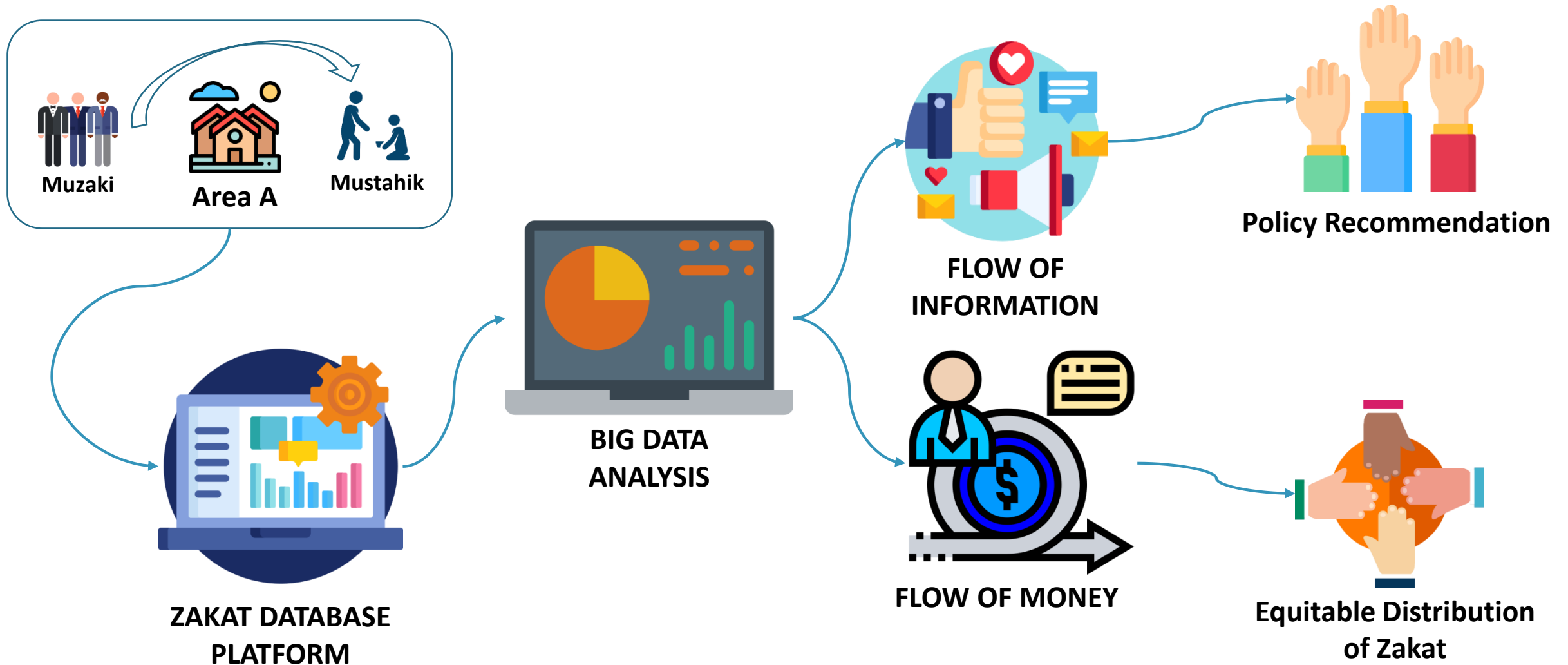
**The integration of national zakat data cannot be done yet.**



KNKS will design a **national zakat data information system**.

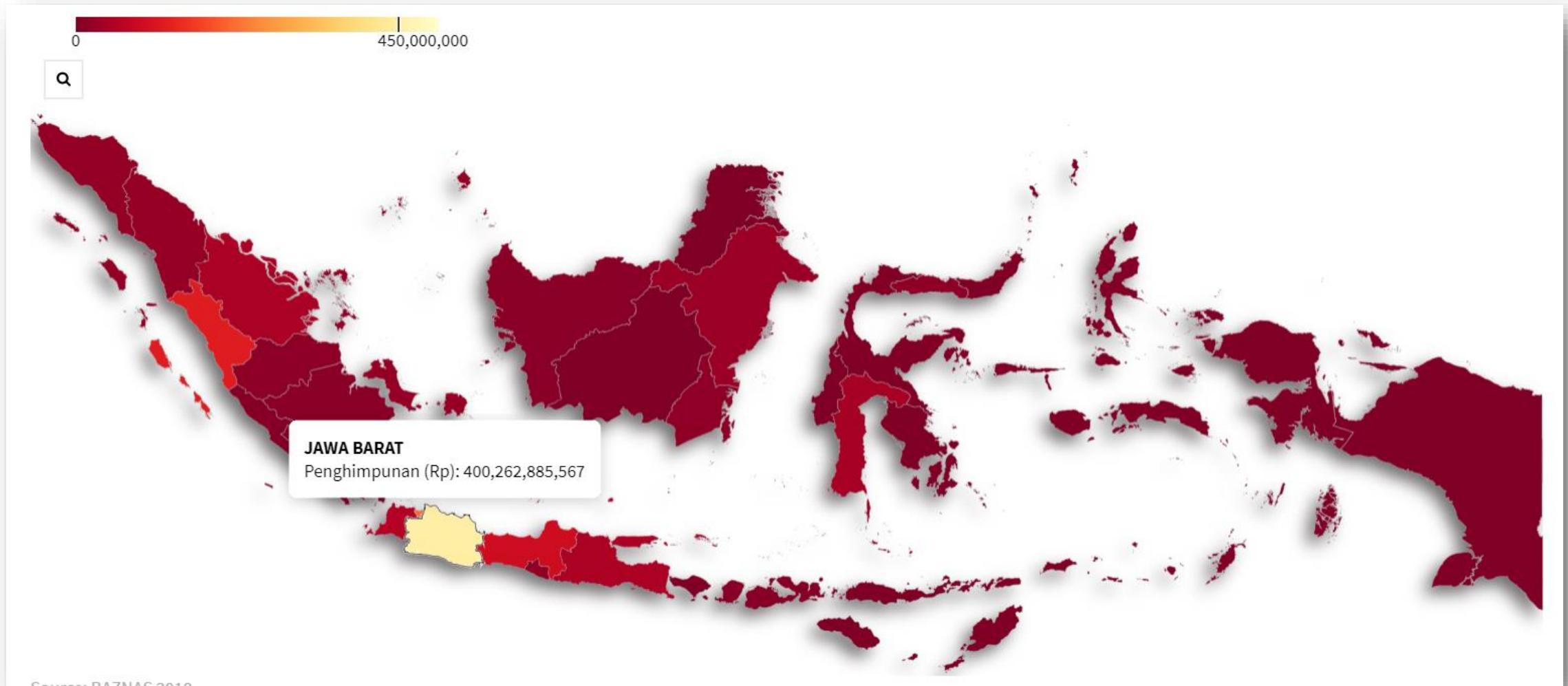


Encourage the Ministry of Religion to issue **Ministerial Regulations** related to standardized zakat data information systems.





# Prospect: Data Availability of Regional Surplus – Deficit Zakat



Source: RAZNAS 2019



# THANK YOU

**KNKS**

National Islamic Finance Committee