

Sharia Compliance in the Development of Islamic Microfinance for Economic Sustainability

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Abstract

As a microfinance institution, BMT Assyafi'iyah Berkah Nasional Lampung sometimes faces limitations in operational and investment capital, which affects their ability to expand services and help more members. Many community members, especially in rural areas, do not understand the concept of sharia finance and the benefits of using BMT services, which hinders member growth. The purpose of this study was to determine how the Implementation of Sharia Compliance affects the sustainability of the Baitul Mal Wa Tamwil (BMT) Assyafi'iyah Berkah Nasional Lampung program in poverty alleviation efforts. This study used a qualitative method using triangulation techniques to test the validity of the data. The results of this study found that Murabahah activities carried out by BMT Assyafi'iyah Berkah Nasional in Lampung have a significant impact on poverty alleviation with the management of trustworthy loan funds. Through the distribution of zakat funds, the community is helped in building their businesses. Zakat funds that are managed well can be used to provide business capital to mustahik and are beneficial. Thus, zakat and murabahah play an important role in supporting BMT to carry out its function as an institution that helps empower the people's economy and improve economic sustainability and community welfare.

Keywords: Sharia Compliance; Islamic Micro Finance; Sustainable Economy

Abstrak

Sebagai lembaga keuangan mikro, BMT Assyafi'iyah Berkah Nasional Lampung terkadang menghadapi keterbatasan dalam modal operasional dan investasi, yang mempengaruhi kemampuan mereka untuk memperluas layanan dan membantu lebih banyak anggota. Banyak anggota masyarakat, terutama di pedesaan, kurang memahami konsep keuangan syariah dan manfaat menggunakan layanan BMT, yang menghambat pertumbuhan anggota. Tujuan penelitian ini adalah untuk mengetahui bagaimana Implementasi Sharia Compliance berpengaruh terhadap keberlanjutan program Baitul Mal Wa Tamwil (BMT) Assyafi'iyah Berkah Nasional Lampung dalam upaya penanggulangan kemiskinan. Penelitian ini menggunakan metode kualitatif dengan menggunakan teknik triangulasi untuk menguji keabsahan data. Hasil penelitian ini menemukan bahwa kegiatan Murabahah yang dilakukan oleh BMT Assyafi'iyah Berkah Nasional di Lampung memberikan dampak yang signifikan terhadap penanggulangan kemiskinan dengan adanya pengelolaan dana pinjaman yang amanah. Melalui penyaluran dana zakat, masyarakat menjadikan terbantu dalam membangun usahanya. Dana zakat yang dikelola dengan baik bisa digunakan untuk memberikan modal usaha kepada mustahik dan bermanfaat. Dengan demikian, zakat dan murabahah berperan penting dalam mendukung BMT untuk menjalankan

fungsinnya sebagai lembaga yang membantu pemberdayaan ekonomi umat serta meningkatkan keberlanjutan ekonomi dan kesejahteraan Masyarakat.

Kata Kunci: Kepatuhan Syariah; Keuangan Mikro Islam; Ekonomi Berkelanjutan

INTRODUCTION

Poverty is a socioeconomic condition in which a person or group of people does not have sufficient access to basic resources such as food, water, housing, education, health, and others to meet basic life needs. Poverty can have an impact on the quality of life, health, and safety of the community, and can affect the social and economic stability of a province.

Table 1
Data on the Poor in Lampung Province

Region	Percentage of Poor Population (percent)		
	2021	2022	2023
West Lampung	12.82	11.71	11.17
Tanggamus	11.81	10.98	10.52
South Lampung	14.19	13.14	12.79
East Lampung	15.08	13.98	13.80
Central Lampung	11.99	10.96	10.65
North Lampung	19.63	18.41	17.17
Way Kanan	13.09	11.76	11.02
Garlic Bone	9.67	8.42	8.04
Pesawaran	15.11	13.85	12.89
Pringsewu	10.11	9.34	9.14
Mesuji	7.54	6.84	6.73
Tulang Bawang Barat	8.32	7.44	7.25
West Coast	14.81	13.84	13.49
Bandar Lampung	9.11	8.21	7.77
Metro	8.93	7.87	7.28
Lampung Province	12.62	11.57	11.11

Source: lampung.bps.go.id

Based on data from the Central Statistics Agency (BPS), it is recorded that the number of poor people in this figure has decreased significantly from every year. Lampung Province Located at the southern tip of Sumatra Island Lampung is a province with a gross domestic product ranked 11th out of 34 provinces. The poverty rate in Lampung was relatively large in 2022. Lampung's economic growth rate is the sixth slowest in 2022. Lampung Province recorded an annual growth in real GDP of only 4.28%, with the average growth rate of 34 provinces reaching 5.1%. In terms of human development, according to BPS, the human development index in Lampung Province increased by 0.79% to 70.45 in 2022. However, the portion of the poor population in

Lampung is still relatively large. The percentage of poor people in Lampung reached 11.44% in September 2022.

Several factors that affect the poverty level in the form of the ability of economic resources produced by a region are low, Lampung is a province with a dominance of the agricultural sector, the instability of agricultural commodity prices and low productivity can affect farmers' income. The high level of poverty, especially among youth, is the main factor in poverty. The lack of decent job opportunities causes many people to not have a steady income. Many workers are trapped in the informal sector with uncertain incomes and no social security.

Sharia Compliance is very important in the development of Islamic microfinance as an effort to alleviate sustainable poverty. Conventional microfinance practices often lead to high debt and financial exclusion, especially for the poor and needy (Hassan, Muneeza, & Sonko, 2022). The increasing demand for sharia-compliant financial services has a great opportunity to develop *Islamic microfinance* as the main instrument in sustainable economic efforts. With this background in mind, it is important for Islamic financial institutions and relevant stakeholders to focus on *Sharia Compliance* in development Islamic microfinance to achieve sustainable and inclusive economic goals.

Sharia compliance plays an important role in the sustainable economic development of Islamic microfinance by aligning financial practices with ethical and Islamic principles (Wijayanti & Setiawan, 2023) (Habib, 2023). The integration of sharia values, such as justice, public needs, and harmony, into green innovation and micro business development promotes sustainable growth while benefiting businesses and the environment (St Nur Rahma & Siradjuddin, 2022).

Shariah compliance plays a critical role in Islamic microfinance in Indonesia, influencing the operations and perceptions of Micro, Small, and Medium Enterprises (MSMEs). It ensures that financial practices are aligned with Islamic principles, which increases trust and access to funding for MSMEs (Mahfudz, Azid, & Ahmad, 2024). Shariah compliance significantly influences MSMEs' intention to utilize Islamic crowdfunding, as it directly influences their perception of this financial product (Hendratmoko, Nadrattuzaman Hosen, & Muafi, 2024). Compliance with Shariah principles, such as the prohibition of *riba* (usury), fosters investor confidence and increases access to finance (Nurhayati & Suntana, 2024). The Shariah Supervisory Board (SSB) is crucial in maintaining compliance, ensuring that crowdfunding platforms adhere to Islamic regulations (Marwa, Al-Fatih, Hussain, & Haris, 2023). SSB supervision enhances the credibility of Islamic microfinance institutions, promoting sustainable economic development (Sari & Sulistyowati, 2023). On the other hand, some argue that strict adherence to Sharia compliance may limit the flexibility of microfinance institutions in addressing diverse financial needs, potentially hampering broader economic growth. Nevertheless, the integration of Sharia principles remains essential to foster an inclusive financial ecosystem in Indonesia.

Baitul Mal Wa Tamwil (BMT) Assyafi'iyah Berkah Nasional Lampung is a sharia microfinance institution that has an important role in helping to increase national economic growth and MSMEs in Indonesia. As a sharia microfinance institution, BMT Assyafi'iyah Berkah Nasional Lampung has a mission to help people who need financing

and other financial access in an ethical way and in accordance with sharia principles. One of the main focuses of BMT Assyafi'iyah Berkah Nasional Lampung is to provide financing to MSMEs who often find it difficult to obtain financial access from conventional banks.

The services provided by BMT Assyafi'iyah Berkah Nasional Lampung are focused on developing productive businesses and investments in improving the quality of economic activities of small entrepreneurs. In addition to having a sharia foundation, BMT Assyafi'iyah Berkah Nasional Lampung also has a philosophical foundation that is more oriented towards empowerment so that an essential partnership is established between BMT and customers. This is what distinguishes BMT from other financial service institutions, both Islamic and conventional banking that only prioritize high profits and profit sharing. Although BMT Assyafi'iyah Berkah Nasional Lampung has a market gap that can be used to develop its business, BMT still has problems that need to be solved, including 1) Lack of capital, 2) The supervision system carried out by the cooperative supervisory authority which is still very weak, 3) The limited number of workers who have competence in the field of good sharia cooperatives, 4) The role of Baitul Maal or the role of depositing zakat funds, infak and alms which are still very low when compared to Baitul Tamwil.

Sharia compliance is also important in managing financial risks. Violations of sharia principles can result in reputational risks and financial risks for financial institutions involved in the IMF. Therefore, the development of a strong supervision and control mechanism is needed to ensure sharia compliance. Strong regulatory support and adequate infrastructure are urgently needed to facilitate the development of a sharia-compliant IMF. The lack of a clear regulatory framework and supporting infrastructure could hamper the growth of the IMF sector and cause uncertainty for industry players.

Based on this background, this research will be a challenge for BMT where many groups of people are still not helped and have not changed their social status. So look at and how the role of *Sharia Compliance* in influencing the sustainability of the programs of the Baitul Mal Wa Tamwil Assyafi'iyah National Blessing Institution of Lampung in overcoming the long-term low economy. It is important to develop a holistic and integrated strategy in promoting sharia compliance in the IMF's development as a sustainable economic effort. This involves cooperation between governments, financial institutions, the community, and other relevant parties to create an environment that supports the sustainable growth of the IMF's sharia-compliant sector.

The community-based approach is often lacking in the development of the IMF that is Sharia-compliant, resulting in a lack of community participation in IMF programs at the Baitul Mal Wa Tamwil Assyafi'iyah Institution of the National Blessing of Lampung. Efforts are needed to strengthen community participation and ensure that a sharia-compliant IMF truly meets their needs and aspirations. Measurement and evaluation of IMF performance at the Baitul Mal Wa Tamwil Assyafi'iyah Institution of the Lampung National Blessing that is Shariah-compliant in sustainable economic efforts. The lack of consistent standards and guidelines in IMF sharia compliance at the Baitul Mal Wa Tamwil Assyafi'iyah National Blessing Institution of Lampung can cause uncertainty for financial institutions in designing, managing, and supervising their

products and services. Efforts are needed to develop clearer and more detailed standards that cover all aspects of the IMF. Based on the background of the above problem, there is a formulation of the problem of how the Implementation of *Sharia Compliance* affects the sustainable economy of the Baitul Mal Wa Tamwil (BMT) Assyafi'iyah National Blessing Lampung programs in alleviating poverty.

LITERATUR REVIEW

Islamic Micro Finance

Islamic microfinance is a financial system that aims to empower the Muslim community through a variety of financing products and services. It has succeeded in increasing economic and social power in the early development of Islamic civilization (Wahid, Ahmad Rosli, Mat Rani, & Mohd Arif, 2023). In addition, the Islamic finance industry in Indonesia has seen the formation of Sharia microinsurance products, supported by good governance (Ahmad, bin Lahuri, & Jamal, n.d.; Puspita & Kartikawati, 2022). Research at BMT Hasanah acts as a helper, as a provider of aid funds, as a supervisor, and as a partner for micro entrepreneurs (T & Haryadi, 2018).

Sharia Compliance

Sharia compliance is a requirement of Baitul Maal wat Tamwil (BMT) in order to increase public trust (Riduwan, Rifan, & Wahyudi, 2023). BMT is required to maintain consistency in implementing Sharia compliance both in operations and marketing, based on the fatwa of the National Sharia Council (DSN) (Ascarya, Sukmana, Rahmawati, & Masrifah, 2023). The Sharia Supervisory Board (DPS) plays an important role in ensuring Sharia compliance at BMT through supervision and auditing of operational and product activities. Overall, sharia compliance is a key aspect in the development of BMT, ensuring compliance with Islamic principles and increasing public trust. Some Disclosure Indicators *Sharia Compliance* In Sharia Banking as follows:

1. Sharia Supervisory Board

The Sharia Supervisory Board (SSB) plays an important role in the operation of Baitul Maal wa Tamwil (BMT). In Islamic banks, including BMT, SSB's characteristics have a positive impact on sustainability reporting. The OJK, Indonesia's Financial Services Authority, regulates BMT, overseeing licensing and supervision, with BMT often preferring legal cooperative structures (Hulfa et al, 2023). Challenges faced by BMT include financing constraints and lack of cash due to non-performing loans, which require monitoring, evaluation, and corrective actions to support the development of micro enterprises within the community (Wijayanti & Setiawan, 2023). Therefore, SSB at BMT ensures compliance with Sharia principles, fosters sustainable practices, and contributes to the economic empowerment of local communities.

2. Murabahah

The sharia foundation of murabahah is clearly stated in the Quran and Hadith. In QS Al-Baqarah 275 it is stated that "Allah has legalized buying and selling and forbids usury". As for the hadith, it can be seen from the hadith narrated by Ibn Majah "From Suhaib ar-Rumi r.a, the Prophet (saw), said, 'three

things in which there are blessings: buying and selling in a tough manner, muqaradhah (mudharabah), and mixing wheat and flour for the needs of the house and not for sale."

Despite its popularity, Murabahah is not without its drawbacks, as seen in cases where deviations from Sharia principles occur in practice, such as fixed monthly payments and deposit requirements (Firmansyah & Nashirudin, 2023). Overall, Murabahah remains a significant financing tool in BMT, requiring compliance with Sharia guidelines and effective risk management strategies.

3. Zakat

The management of zakat funds in Baitul Maal institutions is very important to ensure proper financial management, collection, distribution, and accountability, which contributes significantly to economic development and social welfare (Nadina, Mubarak, & Haryati, 2022) (Saputra et al., 2022). Implementing digital fundraising strategies can increase this fundraising, ultimately helping to alleviate poverty and support micro and small businesses in Indonesia (Irwansyah & Retnowati, 2023). Yatim Mandiri Solo has a fairly good mapping of muzaki and mustahik (Astuti & Prayogi, 2019).

4. Mudharabah

The pillars of mudharabah, as outlined in Islamic finance, refer to the essential elements or pillars of the Mudharabah contract (Shahimi, Asni, Ramle, & Hasbulah, 2022). This contract involves a cooperation agreement between two parties, where one provides the funds, and the other manages them, with the profits being shared according to the agreement while the losses are borne solely by the owner of the funds (S. Anwar, Baehaqi, & Sulistyowati, 2023). It highlights the unique blend of business and social aspects in BMT, governed by specific regulations such as Law Number 25 of 1992 on Cooperatives (Ningsih & Prabowo, 2022).

Sustainable Economy

Technological advances in energy and transportation play a crucial role in driving this transformation, with the study focusing on government regulation, resource management, and corporate strategies to achieve a more sustainable economic system (Hossain, Ahmad, & Islam, 2022). Overall, a sustainable economy represents a disruptive but necessary shift towards a more balanced and resilient economic model that benefits current and future generations.

RESEARCH METHODS

This qualitative research uses a triangulation technique to test the validity of the data. Data obtained from various sources need further checks to meet the requirements of objectivity and credibility, namely through the process of triangulation of sources. According to Yin (2003:111), the variables explored in the analysis are the Sharia Supervisory Board, Murabahah, Zakat, Mudharabah.

The data analysis technique used in this study is content analysis. The steps to support the analysis of the content are to identify and classify the information contained

in the BMT Assyafi'iyah Berkah Nasional Lampung report and the annual report of BMT Assyafi'iyah Berkah Nasional Lampung in accordance with the indicators used. Then conduct content analysis of the information in accordance with the *sharia compliance* disclosure index category available in the BMT Assyafi'iyah National Blessing Lampung report and the annual report. Content analysis is carried out to assess the available information so that it is worthy of being called a disclosure of *sharia compliance*.

DISCUSSION

Implementation of *Sharia Compliance* (Murabahah) in influencing the sustainability of Baitul Mal Wa Tamwil (BMT) Assyafi'iyah National Blessings programs in overcoming long-term poverty.

Based on the context of Islamic financial practices, it is important to ensure that practices carried out by financial institutions such as BMT Assyafi'iyah Berkah Nasional are in accordance with sharia principles, including the prohibition of usury, fairness, and transparency. Evaluation of the practice of Murabahah BMT Assyafi'iyah Berkah Nasional can help in ensuring the level of compliance with these sharia principles. By providing access to Murabahah financing, BMT Assyafi'iyah Berkah Nasional has the potential to contribute to the welfare and development of the local economy in Lampung. However, in order to achieve a significant impact, it is important to ensure that the Murabahah practices carried out by BMT Assyafi'iyah Berkah Nasional are effective, efficient, and in accordance with the needs and values of the local community.

Regarding the background of the customer named hani, how to get to know BMT Assyafi'iyah Berkah Nasional. The customer is a small trader in a traditional market. get to know BMT Assyafi'iyah National Blessings from the surrounding community who have already become members. Mrs. Hani said that the experience was very positive. When they need capital to expand their trading business, they start applying for murabahah financing at BMT. The process was quite easy and fast, and I was given a very clear explanation of how murabahah works, including the profit margin that will be charged. Does this murabahah financing help in developing a business and improving family welfare?

"Hani: With the capital I get through murabahah, I can increase my stock of merchandise and expand the types of goods sold. Alhamdulillah, my income has increased, and this is very helpful in meeting my daily needs and children's education. In the long term, I see my business becoming more stable and growing".

Through murabahah financing, customers receive the capital needed to buy merchandise. In murabahah, BMT Assyafi'iyah Berkah Nasional buys goods and sells them to customers at a price that includes the agreed profit margin. This capital allows customers to increase their stock, which means more goods are available for sale. By increasing stock, customers can meet greater market demand and reduce the risk of running out of stock. To ensure that the provisions are aligned with sharia compliance regarding murabahah, murabahah contracts in Islamic banking are essential, but

modifications sometimes lead to non-compliance with Islamic principles, which stem from different definitions and representations in the purchase of goods (Hidayah, Azis, & Muslim, 2022).

Based on this murabahah financing, it can contribute to poverty alleviation in the long term.

"Hani: Murabahah financing provides opportunities for people like me who previously had difficulty getting business capital. With this capital, our business can grow, our income increases, and we can gradually get out of the cycle of poverty. If more people get access like this, I'm sure many families can be lifted out of poverty."

The customer's statement illustrates that murabahah financing provides access to capital that is indispensable for small entrepreneurs who previously had difficulty obtaining financing. With this capital, their businesses can grow, their income increases, and they can gradually get out of the cycle of poverty. If more people gain access to financing like this, more families can be lifted out of poverty, creating a broad and sustained positive impact on local communities and economies. Murabahah financing, in addition to helping economically, also provides certainty and inner peace because of its conformity with sharia principles. Challenges arise in its implementation, such as ensuring compliance with Sharia principles and effectively addressing customer needs (Wahyuni, Fauzan, & Firdaus, 2023).

The level of transparency in the Murabahah process and fee structure, including information on price markups. There needs to be openness in communication to customers about the provisions and mechanisms of Murabahah financing. Compliance with financial accountability and reporting standards in accordance with sharia principles. Advantages for borrowers who use Murabahah products, including payment flexibility and fee clarity. Advantages for BMT Assyafi'iyah Berkah Nasional as a financial institution, such as income from price markup. Risks related to Murabahah practices, such as financing risks and sharia accounting risks. The risk mitigation strategy implemented by BMT Assyafi'iyah Berkah Nasional includes risk monitoring and control. The following is a table of disclosure of *Sharia Compliance* (Murabahah).

Table 2
Sharia Compliance Disclosure (Murabahah)

Year	Sharia Complaint Disclosure (Murabahah)
2017	27.444.851.938
2018	30.013.303.981
2019	30,669,910,280
2020	33.895.023.108
2021	40.345.370.338

Source: Financial Report of BMT Assyafi'iyah Berkah Nasional Lampung

The increase in revenue from Murabahah occurred in 2021 by Rp. 40,345,370,338 means that it can reflect an increase in customer trust in the products and services offered by BMT Assyafi'iyah Berkah Nasional Lampung. This can be due to a good reputation, satisfactory service, or positive customer experiences that reinforce loyalty to the institution. Meanwhile, the decline from murabahah occurred in 2017 by Rp. 27,444,851,938, this is because there are not many customers who use the murabahah contract and do not understand murabahah. The difference between the decline in 2017 and the increase in 2021 can be seen as a reflection of BMT Assyafi'iyah's development in improving marketing strategies and improving service quality. In the early years, challenges in the form of lack of financial literacy and lack of understanding of the murabahah contract were factors in the decline in income. However, with a reputation that continues to be built and services that are getting better, BMT has been able to increase customer trust and expand the use of the murabahah contract, as seen in the increase in income in 2021.

The growth in revenue from Murabahah reflects the efforts of BMT Assyafi'iyah Berkah Nasional Lampung in developing and expanding the range of sharia products. This can include increased innovation in products, adjustments to market needs, or expansion into broader market segments. Tunggul said Murabahah Financing helps the BMT program for long-term poverty alleviation (Tunggul, Lamongan, & Timur, 2022). This is known by the implementation of the basic values of Islamic business ethics, namely Tauhid, Khilafah, Ibadah, Tazkiyah and Ihsan (Hania & Fajaruiddin, 2019). This shows that Islamic values have not yet influenced the demand for money (Sude & Umam, 2018).

Murabahah in Baitul Mal Wa Tamwil (BMT) Assyafi'iyah Berkah Nasional in Lampung has increased, meaning that Murabahah financing, BMT Assyafi'iyah Berkah Nasional provides access to underprivileged people to obtain business capital. Thus, individuals or groups that previously did not have enough capital to start or develop a business can get the necessary funds. By providing Murabahah financing to individuals or groups at the local level, BMT Assyafi'iyah Berkah Nasional helps in strengthening the community's economy. By starting or developing their own business, the individual or group can become economically independent and better able to overcome poverty. In line with the results of research from (Mardani, Mahmudin, & Muflihah, 2023) (M. K. Anwar, Ridlwan, & Laili, 2023) said that the implementation of Murabahah affects BMT's desire to overcome long-term poverty. Consumer satisfaction is influenced by the variable of Sharia Service Quality (Arief & Alfarizy, 2019).

Shariah compliance plays a critical role in Islamic microfinance in Indonesia, influencing the operations and perceptions of Micro, Small, and Medium Enterprises (MSMEs). It ensures that financial practices are aligned with Islamic principles, which increases trust and access to funding for MSMEs. Shariah compliance significantly influences MSMEs' intention to utilize Islamic crowdfunding, as it directly influences their perception of this financial product (Hendratmoko et al., 2024). Compliance with Shariah principles, such as the prohibition of riba (usury), fosters investor confidence and increases access to finance (Nurhayati & Suntana, 2024).

Murabahah activities carried out by BMT Assyafi'iyah Berkah Nasional are based on Islamic financial principles, which emphasize justice, social responsibility, and the avoidance of usury. Thus, this activity not only helps alleviate poverty materially, but also creates a positive social impact that is in accordance with Islamic values. Thus, Murabahah activities carried out by BMT Assyafi'iyah Berkah Nasional in Lampung can have a significant impact in alleviating poverty by providing access to capital, economic empowerment, skill improvement, and sharia-based approaches.

Implementation of Sharia Compliance (Zakat) in influencing the sustainability of Baitul Mal Wa Tamwil (BMT) Assyafi'iyah National Blessings programs in overcoming long-term poverty.

The collection of zakat at BMT Assyafi'iyah Berkah Nasional is obtained from within BMT Assyafi'iyah Berkah Nasional through employees who work at the BMT, and obtained by BMT Assyafi'iyah Berkah Nasional Kotagajah which is collected by deducting 2.5% of the income of BMT employees every month and business acquisition from the community every year. After the zakat funds are collected every year, the zakat funds are managed. The management of Zakat Funds is allocated to muztahik in the form of Direct Assistance to 8 asnaf, then in the form of assistance for 2 goats (male and female) to mustahiq who have been surveyed, allocated to *qardhul hasan* funds which are distributed in the form of Trade Business Financing Assistance and also Agricultural Business Financing Assistance.

The experience of muztahik Bernama hevi with the zakat program distributed by BMT Assyafi'iyah Berkah Nasional.

"Hevi: My experience has been very positive. When my husband lost his job, we had a hard time making ends meet. Alhamdulillah, we got zakat assistance from BMT. This assistance really helps us to meet basic needs such as food and children's education costs."

Hevi's statement described the positive experience and significant impact of the zakat assistance provided by BMT. In the situation of losing their jobs and meeting the difficulties of daily necessities, zakat assistance plays an important role in helping Hevi's family meet basic needs such as food and children's education expenses. This shows that zakat not only provides short-term assistance but also supports family welfare and investment in the future of children. The role of BMT as a social institution that distributes zakat with the right goal is to strengthen the community and show solidarity and concern for Islam. In addition, zakat plays an important role in Islamic economics, purifying wealth and promoting growth, with zakat on business income becoming mandatory for Shariah-compliant companies (Setyowati, Islamiyati, & Putra, 2020).

Mustahik feels that the zakat received helps in the long run.

"Hevi: In addition to direct assistance, BMT also provides skills training and business assistance. I took part in training in making snacks and was assisted

by business capital. It helped me start a small business that is still running today and is a source of income for my family."

Hevi's statement shows that BMT plays an important role in empowering the community through direct assistance, skills training, and business mentoring. By participating in training in making snacks and receiving business capital, Hevi managed to start a small business that is still running and has become a source of family income. This comprehensive approach not only helps meet basic needs but also creates long-term economic opportunities, empowers zakat recipients, and improves their quality of life. BMT programs like this have a significant positive impact in alleviating poverty and increasing financial independence.

This zakat program can contribute to poverty alleviation in the long term.

Hevi: Zakat not only provides temporary assistance, but also paves the way for us to be independent. With training and business assistance, we are equipped with skills that can be used to earn a living. This is very important to overcome poverty in the long term.

Hevi's statement emphasized that zakat, which is accompanied by skills training and business assistance, has great potential to empower its recipients economically and socially. By equipping zakat recipients with skills that can be used to earn a living, zakat not only provides temporary assistance but also a long-term solution to overcome poverty. The empowerment program run by BMT helps zakat recipients become financially independent, reduce their dependence on external assistance, and improve their quality of life. This holistic approach ensures that zakat not only alleviates short-term hardships but also breaks the cycle of poverty and brings about a sustainable positive impact on individuals and communities.

The following is the Distribution Table to Mustahiq zakat in 2019-2021 at BMT Assyafi'iyah Berkah Nasional Kotagajah Branch.

Table 3
Distribution to Mustahiq zakat in 2019-2021

Kind	Amount of Money		
	2019	2020	2021
zakat fitrah	26.800.000	41.000.000	31.000.000
zakat painting	13.200.000	14.800.000	4.600.000
Total	40000000	55.800.000	35.600.000

Source: Documentation of zakat fund collection data for 3 years BMT Assyafi'iyah Berkah Nasional

The distribution to Mustahiq zakat in 2020 at BMT Assyafi'iyah Berkah Nasioanal Lampung collected funds reaching Rp 55,800,000 and was given directly to mustahiq who were included in 2 asnaf of Rp.55,800,000, in zakat fitrah in 2020

distributed as much as 41,000,000 Then in zakat maal in 2020 distributed to mustahiq amounting to 14,800,000.

The distribution to Mustahiq zakat in 2021 at BMT Assyafi'iyah Berkah Nasioanal Lampung collected funds reaching Rp 35,600,000 and was given directly to mustahiq who were included in 2 asnaf of Rp.35,600,000, in 2021 zakat fitrah was distributed as much as 31,000,000. Then in zakat maal in 2021 it was distributed to mustahiq amounting to 4,600,000.

The distribution of zakat at BMT Assyafi'iyah in 2020 and 2021 showed a downward trend in both fund collection and distribution to mustahiq. This decline was especially visible in zakat maal, which requires more attention in terms of education and awareness campaigns in the community. However, this institution managed to distribute all the funds collected, which shows good transparency and accountability. Efforts to increase literacy about zakat maal and innovation in collecting zakat fitrah can be a solution to overcome this downward trend in the future.

The distribution of zakat funds in Baitul Mal Wa Tamwil (BMT) has an important role by providing business capital to underprivileged people by using zakat funds effectively and efficiently in these programs. Zakat funds can be used to provide business capital to individuals or groups who want to start or develop their businesses. Through this capital, they can build sustainable small or medium-sized businesses, increase income, and eventually get out of the cycle of poverty. The same is true for research (Md Rejab, Wahid, Yaacob, & Lateh, 2023) (Rahman, Tunku Ahmad, Rahman, Nazmul Hoque, & Bhuiyan, 2023) (SAID, 2023) The findings found that factors such as good governance, accountability, effectiveness and trust have an effect on zakat institutions in achieving sustainable development goals.

BMT Assyafi'iyah Berkah Nasional Kotagajah Branch as a Zakat Channel Unit of BAZNAS partners has distributed productive zakat funds quite in accordance with the principles of sharia rules. The concept of revolving fund financing as working capital used by BAZNAS (in this case appointing BMT Assyafi'iyah Berkah Nasional in the distribution) is a concept that is quite effective in supporting the economic empowerment of the underprivileged without fostering a culture of consumerism. Because one of the main purposes of distributing zakat is to help the economic condition of mustahik who are mostly poor people.

CONCLUSION

Through murabahah financing, some customers receive the capital needed to buy merchandise. In murabahah, BMT Assyafi'iyah Berkah Nasional buys goods and sells them to customers at a price that includes the agreed profit margin. So this has an impact on the increase in revenue from Murabahah and reflects an increase in customer confidence in the products and services offered by BMT Assyafi'iyah Berkah Nasional Lampung. This can be due to a good reputation, satisfactory service, or positive customer experiences that reinforce loyalty to the institution. Murabahah activities carried out by BMT Assyafi'iyah Berkah Nasional in Lampung have a significant impact on alleviating poverty in sustainable economic efforts by providing access to capital, economic empowerment, skill improvement, and sharia-based approaches.

Distribution of zakat funds in Baitul Mal Wa Tamwil (BMT) Through capital, they can build sustainable small or medium businesses, increase income, and finally get out of the cycle of poverty. By using zakat funds effectively and efficiently in these programs. Zakat funds can be used to provide business capital to individuals or groups who want to start or develop their businesses. Through this capital, they can build sustainable small or medium-sized businesses, increase income, and eventually get out of the cycle of poverty. BMT Assyafi'iyah Berkah Nasional as a Zakat Channel Unit of BAZNAS partners has distributed productive zakat funds quite in accordance with the principles of sharia rules. Then this has an impact on the data of the BMT Assyafi'iyah Berkah National Lampung zakat fund report, with the collection of fund data for each year also describes the form of performance directly to mustahiq which is included in 2 asnaf, namely to zakat fitrah Then to zakat maal.

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