

THE EFFICIENCY AND EFFECTIVENESS OF ZAKAT INSTITUTION AND ITS CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGs): A CASE STUDY OF BAITUL MAL, ACEH BARAT DAYA REGENCY (2019-2023)

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Abstract

Zakat institutions play a crucial role in managing Zakat and non-zakat resources such as infaq, sedekah, waqf, and other social contributions to enhance social welfare in Indonesia. This can be achieved by considering various financial, social, and ethical aspects to align with sustainable development goals. This study examines the efficiency and the effectiveness of zakat distribution in the Aceh Barat Daya Regency Budget for the years 2019-2023 and its contribution to achievement of Sustainable Development Goals (SDGs). The research method employed is a case study and in-depth interviews with the Baitul Mal institution of Aceh Barat Daya Regency. The findings reveal that the Aceh Barat Daya Regency Government, through Baitul Mal, has implemented four SDGs programs: no poverty, zero hunger, good health and well-being, and quality education. The efficiency level of zakat distribution over the five years, measured by the operational cost ratio to total amil, was efficient, although 2021 was categorized as inefficient. Meanwhile, the ratio of operational costs to total collection and the ratio of HR costs to total collection were consistently efficient. The effectiveness level, measured using gross ACR and gross AR non-amil, was generally classified as moderately efficient, although 2019 and 2021 were categorized as ineffective.

Keywords: Zakat institutions, efficiency, effectiveness, SDGs

Introduction

With the largest Muslim population in the world, Indonesia has potential for zakat collection, but the realization is still far behind. Based on the latest data, the achievement of zakat collection reaches only 13-14 trillion rupiah annually or just 4.3% of the existing potential (BAZNAS, 2023). One of the reasons is because the lack of public literacy to understand the importance of paying zakat through official institutions. (Ryandono et al., 2023) said that there are no laws that oblige people to pay their zakat through official zakat institutions. People prefer to distribute their zakat directly to the poor. As a result, over 30 trillion rupiah in zakat funds circulate outside official zakat institutions or remain unrecorded administratively (Puskas BAZNAS, 2022). As Islam emphasizes socio-economic justice through zakat facilitating resource sharing between the rich and the poor ones (Zauro et al., 2020). Therefore, Zakat institution must ensure effective and efficient management of zakat because it can impact on achieving Sustainable Development Goals (SDGs) (Ryandono et al., 2023) and help the poor (mustahik) to pull out of poverty and contribute to the country's development (Saad et al., 2023). This aligns with the responsibilities of zakat institutions as outlined in Law No. 23 of 2011 on the Management of Zakat and the Zakat Core Principles emphasizing the zakat should be administered professionally and efficiently. The study of (Ryandono et al., 2023) efficiency of zakat institutions refer to the definition of the maximum amount of zakat funds collecting and distributing using several resources.

Furthermore, the Aceh Barat Daya regency has made efforts to achieve efficiency and effectiveness in the collection and distribution of zakat as part of its Regional Revenue and Expenditure Budget (APBD) during 2019-2023. The collection and distribution of zakat in the APBD of Aceh barat Daya regency during 2019-2023 achieved an average 8.8 billion rupiah in zakat collection and an average of 5.8 billion in distribution, as shown in the table 1 below. The table 1 indicates that zakat distribution in the APBD of Aceh Barat Daya regency remains relatively low compared to its collection, even though the ACR ratio is categorized as fairly effective. This presents a dilemma for districts/cities in Aceh, as zakat distribution must wait for the APBD's approval and is not necessarily distributed immediately after zakat is collected.

Furthermore, if adjustments are needed in the plans for zakat distribution and utilization, they must follow the mechanism for amending the APBD. This process is further constrained by distribution targets set in the annual APBD, causing unspent funds to roll over into the next fiscal year as a surplus budget balance (Musa, 2016)

Table 1. Zakat Collection and Distribution in the APBD of Aceh Barat Daya Regency from 2019 to 2023

Year	Total Collection + Last Year's Ending Balance (Rp)	Total Distribution (Rp)
2019	10.764.972.662,26	4.604.951.736,00
2020	9.865.916.055,18	7.956.717.033,00
2021	6.800.180.139,39	2.606.414.608,00
2022	9.455.410.170,66	7.503.085.423,00
2023	7.510.533.842,58	6.524.730.180,00
Average Amount	8.879.402.574,01	5.839.179.796,00

Sumber : Financial Report of Aceh Barat Daya Regency (Processed Data)

To ensure the efficient and effective distribution of zakat in the APBD of Aceh Barat Daya regency, especially on the part of those responsible for zakat distribution, in this case, the Baitul Mal of Aceh Barat Daya regency, they need to ensure that key programs and activities related to zakat distribution are included in the running APBD. This can be achieved through guidance for mustahik to transform into muzakki, thus ensuring efficiency and effectiveness in zakat management. The efficiency will ensure that the funds of zakat collection and distributions can be optimized (Sari, 2013). If this is not achieved, it could result in the loss of public respect for the zakat collecting institutions (Al-Mamun et al., 2020). Therefore, there is a need to examine deeply the efficiency of the zakat institution.

Numerous studies have been conducted by previous researchers to examine the efficiency and effectiveness of zakat distribution, including research by (Burhanudin & Indrarini, 2020) examining the efficiency level at the Zakat Initiative Indonesia (LAZ IZI) based on Data Envelopment Analysis (DEA). The result found inefficiency in its performance with a score 69.29% in 2016. Moreover, a study by (Hidayatulloh et al., 2021) utilizing Zakat Core Principles and the Allocation to Collection Ratio, found that efficiency levels, measured by total operational costs relative to total amil rights, total operational costs against total collection, and total HR costs against total collection, were maintained efficiently over the three years. Additionally, research by Amalia (2020) using the DEA method and the National Zakat Index (IZN) revealed that BAZNAS West Kalimantan Province achieved a perfect efficiency a score of 1 for Constant Return of Scale (CRS), Variable Return of Scale (VRS), and Return to Scale (RTS), indicating high efficiency. However, its effectiveness score was 0.62 indicating that its effectiveness placed it in the good category (Amalia, 2020)

The novelty of this research lies in the research subject and the analysis period, as well as analyzing the achievement of SDGs at the Baitul Mal of Aceh Barat daya. According to (Hoque et al., 2023) zakat can contribute to support the goal of SDGs. The researcher aims to conduct a study on the efficient and effective zakat fund distribution using the efficiency ratio with ZCP principles and the Allocation to Collection Ratio (ACR) on the Regional Revenue and Expenditure Budget (APBD) of Aceh Barat Daya Regency from 2019 to 2023.

Literature Review

1. The concept of zakat

According to (Abdullah et al., 2023) zakat is the transfer of certain property to the certain individuals under certain circumstances which also the five pillars of Islam that should be done by Muslim. Abdullah add that paying zakat help to create the person's character to be more caring towards the poor and needy, thus establishing the concept of unity in society. This is in line with (Zulkifli, 2020) says that zakat is the amount wealth that must be issued has been determined by Allah SWT for every Muslim who is able to achieve the pleasure of Allah SWT. Zakat not only functions to cleanse wealth, but also to cleanse the soul, and as a tool to create social balance in society by paying attention to the

needs of the less fortunate. Zakat is one of the pillars of the Islamic economic system which aims to distribute wealth fairly.

From the explanation and ideas that have been described, the researcher concludes that zakat is the payment of part of one's wealth when it has reached a certain level and year to people determined by the Quran with the aim of providing justice and prosperity for society. The legal basis for the obligation to pay zakat is the command of Allah SWT in QS.Al-Taubah: 103.

2. *Efficiency of Zakat Institutions*

According to (Ryandono et al., 2023) the efficiency of zakat institutions can be differentiated based on their cluster to achieve a more comprehensive efficiency analysis based on the primary source of the collection of zakat collection and its affiliation, such as government, corporation, or social organization. Zakat institution based on the government serves zakat management and suervisions(Ryandono et al., 2021). In measuring the efficiency of an agency or institution in its operations, it can be done with three approaches, namely the production approach, the intermediation approach and the asset approach.

The Production Approach is an approach in which the zakat management institution is assumed to be a producer of fund collectors and distributors. The output of this approach is the collection and distribution of zakat funds to the mustahik (Burhanudin & Indrarini, 2020). The intermediation approach is an approach that considers the zakat manager as a mediator or liaison between muzakki and mustahik (Burhanudin & Indrarini, 2020). In this approach, the zakat manager acts as an institution tasked with distributing zakat funds obtained from muzaki to mustahik. While the asset approach is an approach that assumes the zakat manager as a distributor of loan credit whose output is valued by the assets owned (Burhanudin & Indrarini, 2020)

In measuring the efficiency and inefficiency of zakat institutions, two ratios can be used, namely the operational ratio and the human resource ratio (Puskas BAZNAS, 2019). The zakat operational ratio aims to measure the efficiency of zakat fund management, especially in comparing the operational costs incurred with the total zakat funds collected. This ratio helps assess the extent to which zakat institutions are able to run their operations effectively and efficiently.

3. *Effectiveness of Zakat Institutions*

According to (Lasserson, 2017) Effectiveness is the relationship between the output produced and the goals to be achieved. The greater the contribution of output to achieving goals, the more effective a job in an organization can be said to be. *Zakat Core Principle (ZCP)* or the core principles of zakat are zakat guidelines that were initiated on May 23, 2016 in Istanbul, Turkey. *Zakat Core Principles* are Indonesia's contribution to encouraging the development of *Islamic Social Finance* and creating better zakat management standards globally. This document contains 18 principles that cover six main aspects of zakat management, namely institutional legal aspects, supervision, governance, risk management, intermediation functions, and sharia compliance (Bank Indonesia, 2016).

To measure the performance of zakat managers, the focus is on how effective the distribution of funds is by zakat managers. This effectiveness can be measured using *the allocation to collection ratio (ACR)*, which is the ratio that compares the amount of zakat funds distributed to mustahik with the total zakat funds successfully collected by zakat institutions in a certain period, which is the ninth point on the ZCP consisting of Gross Allocation Ratio (Gross ACR), Gross Allocation Ratio Non Amil (Gross ACR Non Amil) and Zakat Allocation ratio. *Gross Allocation Ratio (Gross ACR)* measurement is obtained from the Total Distribution of Zakat funds collected plus the Final Zakat Balance of the previous year. Then, the measurement of *the Gross Allocation Ratio of non-Amil (Gross ACR Non-Amil)* is obtained from the distribution of zakat minus the share of amil in the collection of zakat funds plus the previous year's final balance.

4. *SDGs of Zakat Institutions*

In line with the purpose of the APBD, namely as a medium in maintaining economic stability and reducing unemployment and poverty rates. The central government is currently directing local governments to formulate budget policies focused on the *Sustainable Development Goal (SDGs)* program or the achievement of sustainable development declared at the UN General Assembly in September 2015.

The seventeen goals of the SDGs are: 1) No Poverty; (2) No Hunger; (3) Healthy and Well-Being Lives; (4) Quality Education; (5) Gender Equality; (6) Clean Water and Adequate Sanitation; (7) Affordable and Clean Energy; (8) Decent Work and Economic Growth; (9) Industry, Innovation and Infrastructure; (10) Reduced Inequality; (11) Sustainable Cities and Human Settlements; (12) Responsible Consumption and Production; (13) Addressing Climate Change; (14) Oceans; (15) Land; (16) Peace, Justice and Strong Institutions; (17) Partnerships for the Goals.

Based on the 17 SDGs programs, Zakat and the SDGs Program are related so that support from zakat management institutions is needed to achieve the goals of the SDGs. This relationship can be seen from the main regulation of zakat management in Indonesia, namely Law Number 23 of 2011 which states that the purpose of zakat management is to increase the effectiveness and efficiency of services in zakat management and increase the benefits of zakat to realize community welfare and poverty alleviation (BAZNAS RI, 2023)

Methods

In this study, using qualitative and quantitative methods, this is a case study to analyze a particular object such as Baitul Mal Aceh Barat Daya having annual financial reports. The data collection was carried out from secondary data in the form of financial reports and primary data collection through interviews. According to (Ismail, 2021) the qualitative research is considered as exploratory and is used to find patterns based on views and ideas while quantitative research can be used to measure the issue through numerical data or data translated into statistics.

The technique used in the qualitative method is an interview with the Zakat Manager regarding the collection and distribution of zakat and the implementation of the SDGs program at the Baitul Mal of Aceh Barat Daya Regency, while the technique used in the qualitative method is an interview with the Zakat Manager regarding the collection and distribution of zakat and the implementation of the SDGs program at the Baitul Mal of Southwest Aceh Regency. quantitatively is by using the zakat core principles ratio in the form of efficiency ratio and allocation to collection ratio.

Results and Discussions

The Aceh Barat Daya Regency Government has assigned the Baitul Mal of Aceh Barat Daya Regency to collect zakat funds from muzakki and distribute zakat to mustahiq. Based on an interview with the Head of the Program and Reporting Sub-Division of the Secretariat of the Aceh Barat Daya Regency Baitul Mal, in collecting zakat funds from 2019 to 2023, the Aceh Barat Daya Regency Baitul Mal is still focused on Civil Servants (ASN) within the Aceh Barat Daya Regency government and some vertical agencies and BUMD and BUMN institutions.

“The Aceh Barat Daya Regency Baitul Mal continues to strive to increase zakat collection, one of which is by socializing to the community through the Friday pulpit about the obligation to pay zakat and directing its collection through the Regency Baitul Mal”

Collection and distribution of Zakat at the Baitul Mal of Southwest Aceh Regency

Based on the researcher's interview with the Secretary of the Baitul Mal Regency, the efforts made by the Baitul Mal of Aceh Barat Daya Regency in increasing Zakat collection have provided education to the community through the Baitul Mal Gampong (Village) on the procedures for registering prospective mustahik of muzakki funds and building a zakat database through the Si-Zaki Integrated Zakat Information System application so that with this database, the potential for zakat and mustahik can be recorded accurately and correctly and can be used as a reference in targeting the collection and distribution of zakat. The targets and realization of zakat distribution in the Aceh Barat Daya Regency APBD can be seen in the following table 2.

Table 2. Target and Realization of Zakat Distribution during 2019-2023

Year	Target (Rp)	Collection Realization (Rp)	%
2019	2,700,000,000.00	3,051,349,821.50	113.01
2020	2,700,000,000.00	3,961,057,822.00	146.71
2021	3,000,000,000.00	4,749,326,106.44	158.31
2022	3,500,000,000.00	5,201,609,084.63	148.62
2023	4,844,312,628.00	5,085,407,168.64	104.98
Total	16,744,312,628.00	22,048,750,003.21	131.68

Sumber : Financial Report of Aceh Barat Daya Regency (Processed Data)

Based on table 2, it is shown that the distribution of zakat in the Aceh Barat Daya Regency APBD has not reached the target as set, which if calculated in total has only reached 83.63%. Based on the

researcher's interview with the Secretary of Baitul Mal Aceh, Aceh Barat Daya Regency, the failure to realize the distribution of zakat according to the target that has been set is due to several obstacles in the field. One of the obstacles in distribution is the existence of a target that has been set in the form of aid recipients without being supported by an accurate location and address. Then the slowness of the Gampong Baitul Mal in sending proposals for aid recipients and there are schools and Islamic boarding schools that do not submit data on proposed aid recipients, while the time for submitting distribution materials in the APBD based on the regent's circular is no later than December 25 each year.

Efficiency and Effectiveness of Zakat Distribution

In measuring efficiency, the first step taken is to calculate the ratio of operating costs or expenses. The operating cost ratio aims to be able to be used as a reflection in managing the expenditure section of its operations. Calculation of the operational ratio consists of three ratios, the first is the ratio of operational costs to total expenditure of amil costs which aims to find out how much the amount of costs incurred for amil in order to distribute zakat to zakat distribution institutions. Operational costs and costs for amil based on data sources from the financial reports of Aceh Barat Daya Regency and Baitul Mal Aceh Barat Daya Regency can be detailed in Table 3.

Table 3. Efficiency Level of Baitul Mal of Aceh Barat Daya Regency using the Ratio of Operational Costs to Total Amil Costs

Year	Operational Cost (Rp)	Total Amil Rights (Rp)	Interpretation (%)	Efficiency Level
2019	93,168,445.00	158,901,736.00	58.63	Efficient
2020	67,360,000.00	249,797,033.00	26.97	Efficient
2021	64,498,904.00	65,514,608.00	98.45	Inefficient
2022	122,119,050.00	169,435,423.00	72.07	Efficient
2023	76,182,824.00	156,951,000.00	48.54	Efficient
Total	423,329,223.00	800,599,800.00	52.88	Efficient

Sumber : Financial Report of Aceh Barat Daya Regency (Processed Data)

The data in table 3 shows that the distribution and utilization of zakat funds as a whole falls into the efficient category, although in 2021 there was an inefficiency of 98.45%, while in 2019, 2020, 2022 and 2023 it was classified as efficient, namely around 58.63%, 26.97, 72.07% and 48.53%.

Next, the second in measuring efficiency costs is the calculation of the ratio of operational costs to fund collection. The ratio of operational costs to zakat fund collection in the Aceh Barat Daya Regency APBD is shown in the following table 4.

Table 4. Efficiency Level of Baitu Mal of Aceh Barat Daya Regency using the Ratio of Operational Costs to Total Zakat Fund Collection

Year	Operational Cost (Rp)	Total Collection (Rp)	Interpretation (%)	Efficiency Level
2019	93,168,445.00	3,051,349,821.50	3.05	Efficient
2020	67,360,000.00	3,961,057,822.00	1.70	Efficient
2021	64,498,904.00	4,749,326,106.44	1.36	Efficient
2022	122,119,050.00	5,201,609,084.63	2.35	Efficient
2023	76,182,824.00	5,085,407,168.64	1.50	Efficient
Total	423,329,223.00	22,048,750,003.21	1.92	Efficient

Sumber : Financial Report of Aceh Barat Daya Regency (Processed Data)

The data in table 4 shows that the level of operational cost efficiency in collecting zakat in the Aceh Barat Daya Regency APBD from 2019 to 2023 is in the efficient category, ranging from 1.25% to 3.05%. Next, the third in measuring the efficiency of zakat management, the calculation of the HR cost ratio is carried out which aims to measure HR performance against the collection of Zakat Funds. The HR Cost Ratio to the total collection of funds in the Aceh Barat Daya Regency APBD can be shown in the

following table 5 showing Southwest Aceh Regency in using Human Resource Costs for zakat collection from 2019 to 2023 is in the efficient category ranging from 1.09% to 2.35%.

Table 5. Efficiency Level of Baitul Mal of Aceh Barat Daya Regency using the Ratio of Human Resource Costs to Total Zakat Fund Collection

Year	HR Costs (Rp)	Total Collection (Rp)	Interpretation (%)	Efficiency Level
2019	44,199,445.00	3,051,349,821.50	1.45	Efficient
2020	43,200,000.00	3,961,057,822.00	1.09	Efficient
2021	64,498,904.00	4,749,326,106.44	1.36	Efficient
2022	122,119,050.00	5,201,609,084.63	2.35	Efficient
2023	71,721,996.00	5,085,407,168.64	1.41	Efficient
Total	345,739,395.00	22,048,750,003.21	1.57	Efficient

Sumber : Financial Report of Aceh Barat Daya Regency (Processed Data)

Meanwhile, to measure the effectiveness ratio of zakat distribution in the Aceh Barat Daya Regency APBD managed by the Aceh Barat Daya Regency Baitul Mal is seen using the Allocation to Collection Ratio (ACR) which shows in the table 6.

Table 6. Level of Effectiveness of Zakat Distribution at Baitul Mal of Aceh Barat Daya Regency using the ACR Gross Allocation Ratio Value

Year	Total Distribution (Rp)	Total Collection + Last Year's Ending Balance (Rp)	Interpretation (%)	Effective Level
2019	4,604,951,736.00	10,764,972,662.26	42.78	ineffective
2020	7,956,717,033.00	9,865,916,055.18	80.65	Effective
2021	2,606,414,608.00	6,800,180,139.39	38.33	ineffective
2022	7,503,085,423.00	9,455,410,170.66	79.35	Effective
2023	6,524,730,180.00	7,510,533,842.58	86.87	Effective
Total	29,195,898,980.00	44,397,012,870.07	65.76	Quite Effective

Sumber : Financial Report of Aceh Barat Daya Regency (Processed Data)

Table 6 shows that the management of zakat in the Aceh Barat Daya Regency APBD managed by the Regency Baitul Mal based on Gross ACR is totally categorized as quite effective. Meanwhile, if viewed per year, the effective category is in 2020, 2022, and 2023, while in 2019 and 2021 it is categorized as ineffective. Furthermore, based on the Gross Allocation Ratio of non-amil, the level of Zakat Management can be seen in the following table 7.

Table 7. Level of Effectiveness of Zakat Distribution at Baitul Mal of Aceh Barat Daya Regency using the ACR Gross Allocation Ratio Non Amil Value

Year	Total Distribution - Amil Rights (Rp)	Total Collection + Last Year's Ending Balance - Amil's Portion (Rp)	Interpretation (%)	Effective Level
2019	4,446,050,000.00	10,606,070,926.26	41.92	ineffective
2020	7,706,920,000.00	9,616,119,022.18	80.15	effective
2021	2,540,900,000.00	6,734,665,531.39	37.73	ineffective
2022	7,333,650,000.00	9,285,974,747.66	78.98	effective
2023	6,367,779,180.00	7,353,582,842.58	86.59	effective
Total	28,395,299,180.00	43,596,413,070.07	65.13	Quite Effective

Sumber : Financial Report of Aceh Barat Daya Regency (Processed Data)

Table 7 shows that the management of zakat in the Aceh Barat Daya Regency APBD managed by the Regency Baitu Mal based on the Gross ACR Non Amil in total is categorized as quite effective, while when viewed per year, the effective categories are 2020, 2022 and 2023, while in 2019 and 2021 it is categorized as ineffective.

Alignment of Baitul Mal Aceh Barat Daya Programs with SDGs Indicators

In order to achieve the Sustainable Development Goal (SDGs) program, the Aceh Barat Daya District Government through the Baitul Mal Regency has implemented some of the 17 SDGs Programs. Based on the researcher's interview with the Secretary of the Baitul Mal Regency, some of the 17 SDGs programs that have been implemented include the zero-poverty program where the Baitul Mal Regency provides clothing facilities in the form of house construction and house rehabilitation for the poor who do not have houses and unsuitable houses. In terms of the hunger program, Baitul Mal has implemented an economic empowerment program through business assistance capital and agricultural capital assistance. The economic and agricultural business capital provided directly is based on incoming and verified data and there is also assistance in the form of interest-free loans facilitated through the Aceh Barat Daya Gala Bank (Bank Gadai) where farmers who have rice fields but no capital can propose to the Gala Bank to obtain capital with the specified requirements. Furthermore, in the Healthy and Prosperous Life SDGs program, the District Baitul Mal has implemented a medical assistance program that can help patient companions during treatment, even in 2024, assistance has been provided for people with mental disorders (ODGJ). Meanwhile, in the SDGs program on quality education, Baitul Mal has implemented a scholarship program for outstanding students, students who memorize the Al-Quran, financial assistance for underprivileged students and Islamic boarding school students, and financial assistance for non-permanent teachers (Non ASN) and religious teachers. The realization of zakat distribution for the support of the Sustainable Development Goal (SDGs) program at the Baitul Mal of Aceh Barat Daya Regency can be seen in the following table 6:

Table 6. Realization of Zakat Distribution during 2019-2023 with support for the SDGs Program

No	Description	Realization (Rp)
1	No Poverty	18,542,503,212.00
2	Zero Hunger	2,007,500,000.00
3	Good Health and Well-being (Healthy and Well-being)	340,000,000.00
4	Quality Education	5,499,800,000.00
	Total	26,389,803,212.00

Sumber : Financial Report of Aceh Barat Daya Regency (Processed Data)

Conclusion

The results of this research show that the Aceh Barat Regency Government through the Baitul of Southwest Aceh Regency has succeeded in collecting Zakat funds including infaq and alms from 2019 to 2023 amounting to IDR 22,048,750,003.21 and has distributed zakat funds including infaq and alms amounting to IDR 29,195,898,980.00. The zakat funds are distributed to Asnaf Fakir, Poor, Amil, Fisabilillah, Ibnu Sabil, Muallaf, and Gharimin,

Baitul Mal of Southwest Aceh Regency has participated in implementing the Sustainable Development Goal (SDGs) program, namely a sustainable development program that includes a poverty-free program in the form of home rehabilitation facilities and housing construction for the poor and needy, a hunger-free program that includes economic empowerment through business assistance capital, and agricultural capital assistance. Then in the SGDs Healthy and Prosperous Life program, namely in the form of patient companion costs during treatment and quality education in the form of scholarships to outstanding students, students who memorize the Al-Quran, financial assistance to underprivileged students and students, and financial assistance to non-permanent teachers (Non ASN) and religious teachers.

The efficiency level of zakat distribution in the Aceh Barat Daya regency APBD from 2019 to 2023, measured by the ratio of operational costs to total amil costs, falls into the efficient category, except in 2021 when it was classified as inefficient. Meanwhile, the efficiency of the Baitul Mal of Aceh Barat Daya Regency, assessed using both the ratio of operational costs to total zakat fund collection and the ratio of total operational costs to zakat fund collection, consistently remains in the efficient category.

The level of effectiveness of zakat distribution in the Aceh Barat Daya Regency APBD from 2019 to 2023 based on the Gross Allocation Ratio in total is categorized as quite effective, only in 2020, 2022 and 2023 it is categorized as effective while in 2019 and 2021 it is categorized as ineffective. Based on the Gross Allocation Ratio, Non Amil is categorized as quite effective, only in 2020, 2022 and 2023 it is categorized as effective while in 2019 and 2021 it is categorized as ineffective. Based on the Zakat Allocation Ratio in total it is categorized as very effective although in 2021 it is categorized as less effective while based on the zakat allocation ratio, Non Amil is categorized as very effective only in 2021 it is categorized as less effective.

The researcher suggests that Baitul Mal of Southwest Aceh Regency can utilize the potential of zakat by compiling a well-established database so that the collection and distribution of zakat runs effectively and efficiently and the improvement of human resources through coaching, training, and courses to further improve their understanding of zakat. Finally, it is necessary to hold ongoing socialization about zakat not only through the Friday pulpit but in collaboration with print and online media so that it can be known by the community and they are interested in distributing zakat through Baitul Mal.

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