

# CHAPTER 1

## INTRODUCTION

### A. Background

Islam is a universal religion that governs every aspect of human life. Islam has rules and foundations of faith for Muslims, from minor details to major issues. In Islam, there are many rules with the goal of benefiting humanity. "In terms of economics, for example, the purpose of economics in Islam is essentially to create a safe and prosperous society" (Sohrah,2014). Munir also mentions waqf as a source of funds with the potential to develop the economy (2013). Waqf is an Islamic economic effort that contributes to the well-being of Muslims.

Waqf is one of the efforts to help achieve the goals of Islamic economics. The presence of waqf can serve several functions, such as religion, which focuses on da'wah, or in social matters, which focuses on community empowerment, both of which have an impact on the economy. According to Ramlan (2020), waqf is a sunnah worship that serves as a vertical adhesive for relationships with Allah SWT and a horizontal adhesive for relationships with fellow humans.

Despite the fact that the waqf command is not explicitly stated in the Qur'an. However, several verses are cited by experts as the legal basis for waqf.

Ali Imran : 92

لَنْ تَنَالُوا الْبِرَّ حَتَّى تُنْفِقُوا مِمَّا تُحِبُّونَ ۚ وَمَا تُنْفِقُوا مِنْ شَيْءٍ فَإِنَّ اللَّهَ بِهِ عَلِيمٌ ۙ ٩٢

“You will never achieve righteousness until you donate some of what you cherish. And whatever you give is certainly well known to Allah.”

Al Baqarah : 267

يَا أَيُّهَا الَّذِينَ ءَامَنُوا أَنْفِقُوا مِنْ طَيِّبَاتِ مَا كَسَبْتُمْ وَمِمَّا أَخْرَجْنَا لَكُمْ مِنَ الْأَرْضِ ۚ وَلَا تَيَمَّمُوا الْخَبِيثَ مِنْهُ تُنْفِقُونَ وَلَسْتُمْ بِآخِذِيهِ إِلَّا أَنْ تُغْمِضُوا فِيهِ ۚ وَاعْلَمُوا أَنَّ اللَّهَ غَنِيٌّ حَمِيدٌ ۙ ٢٦٧

“O believers! Donate from the best of what you have earned and of what We have produced for you from the earth. Do not pick out worthless things for donation, which you yourselves would only accept with closed eyes. And know that Allah is Self-Sufficient, Praiseworthy.”

Meanwhile, As for the reward when we carry out waqf, it is stated in Q.S. Al-

Baqarah (2): 261 which reads;

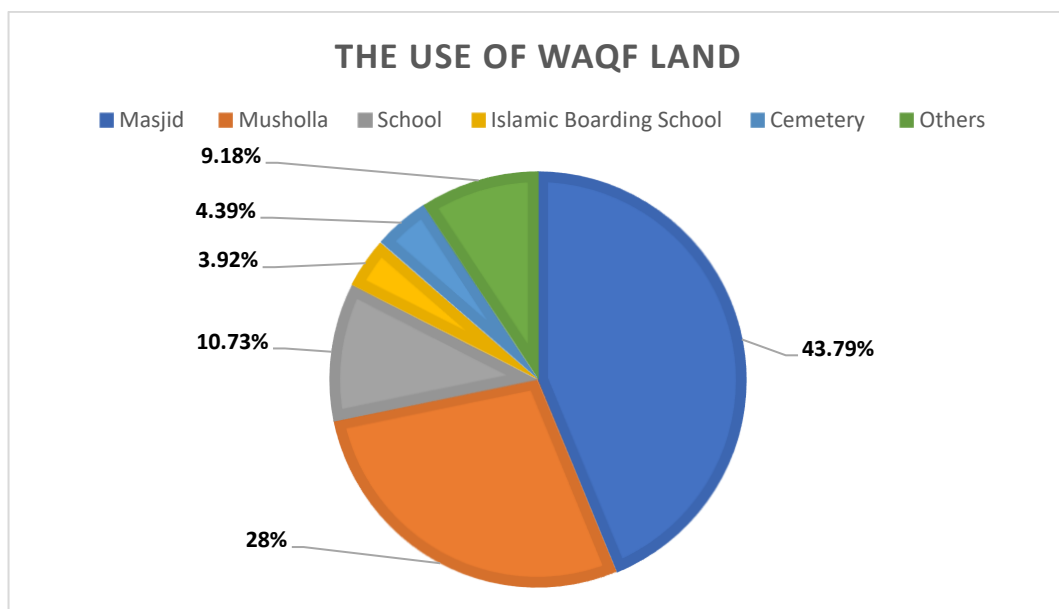
مَثَلُ الَّذِينَ يُنْفِقُونَ أَمْوَالَهُمْ فِي سَبِيلِ اللَّهِ كَمَثَلِ حَبَّةٍ أَنْبَتَتْ سَبْعَ سَنَابِلٍ فِي كُلِّ سُنْبُلَةٍ مِئَةُ حَبَّةٍ وَاللَّهُ يُضَاعِفُ لِمَنْ يَشَاءُ وَاللَّهُ وَاسِعٌ عَلِيمٌ ﴿٢٦١﴾

“The example of those who spend in the way of Allah is just like a grain that produced seven ears, each ear having a hundred grains, and Allah multiplies (the reward) for whom He wills. Allah is All-Embracing, All-Knowing”

Waqf is an Islamic economic institution with development potential.

However, in Indonesia, the management of waqf and the development of waqf have

not been optimally managed. Data from the Indonesian Ministry of Religion's Waqf Information System (SIWAK) accessed on September 29, 2021, show that the potential for waqf land in Indonesia reaches 414,829 locations with a total area of 55,259.87 hectares. Badan Wakaf Indonesia (BWI) concludes that the collection of waqf has not been maximized, as evidenced by the number of Muslims in Indonesia, the amount of waqf collected, which is worth Rp. 225 billion, and the potential value of waqf, which is Rp. 77 trillion, indicating that the magnitude of the potential for waqf has not been properly optimized. Hasim (2016) said that the public's understanding influenced the collection of waqf money for *salasatun*. As a result, efforts to develop and optimize waqf are carried out on a continuous basis, studied, and implemented.



*Figure 1.1 Use of Waqf Land*

In Indonesia, the management of waqf is still dominated by mosques or prayer rooms, as shown in figure 1, where the number of mosques dominates around 43.79 % and prayer rooms are 28 %, while others are less than 20%, such as schools 10.75 %, cemeteries 4.39%, Islamic boarding schools 3.92%, and other social institutions 9.15%. This means that the majority of waqf in Indonesia is still silent or immobile and is not managed productively. In fact, if it is managed productively, it will generate monetary profits, the proceeds of which can be used for other purposes.

On August 23, 2017, at the 2nd Annual Islamic Finance Conference in Yogyakarta, the Minister of Finance of the Republic of Indonesia, Sri Mulyani said that "Sharia finance is considered to be able to encourage Sustainable Development Goals". Waqf is one of the Islamic financings that can be administered.

Moreover, the practice of waqf is increasingly widespread, everyone flocks to carry out waqf worship. Waqf is a form of alms *jariyah*, where the reward will continue to flow even though the person who has been waqf (*Wakif*) has died. Meanwhile Hidayat (2017) concluded that cash waqf or productive waqf based on entrepreneurship is one of the waqf programs, which can foster the value of eternity, benefit, and the integrity of Islamic business. The findings of studies conducted to improve waqf. Many managed waqf lands have become productive as a result of this.

As we all know, the benefits provided by waqf are various. The advantages provided are not only short-term but can also be beneficial in the long run. The

presence of attention focused not only on religious activities but also on the economy, education, and health provides waqf with its own distinctness.

Waqf has demonstrated in the past that its role has been to support the government's fiscal policy by relieving its citizens of their reliance on the government. As have Muslim countries around the world, including Bangladesh, Egypt, Malaysia, Saudi Arabia, Turkey, and Jordan, which have made waqf assets one of the instruments of state income for poverty alleviation Munawar (2020). Waqf has the chance of growing in Indonesia because it distributes the range of mobilization much more evenly to the community Rinawati (2021).

Initially, however, the focus was solely on restoring poverty. However, with the emergence of more complex problems, the waqf program may be able to assist in the resolution of new problems. As a result, the presence of waqf administration may have a greater impact on The Sustainable Development Goals (SDGs).

The Sustainable Development Goals (SDGs) are a plan agreed upon by world leaders that includes 17 goals and 169 targets that are expected to be met by 2030. The SDGs can be achieved with the use of forest or green waqf.

It is common knowledge that if Indonesia is known as the world's lungs, the forest in Indonesia is the world's third largest tropical rain forest. Margono et al., (2016), In fact, Indonesia is one of the few countries where each province has its

own forest area, with a total forest area of 95.6 million hectares in 2020 (Ministry of Environment and Forestry of the Republic of Indonesia). Deforestation in Indonesia has decreased by 75.03% Margono (2021). Forests serve various purposes depending on the stage of economic development, whereas in the past, forest was a free good. At this point, the forest serves as a food source. People began to learn how to grow crops as the population grew Sanjaya (2020). In the context of the SDGs, the forest, that also is one of most crucial ecosystems on the planet, can generate not only income for people (supporting SDG 1 (no poverty)), but also food and medicine (supporting SDGs 2 (zero hunger) and 3 (good health and well-being)). Forests could provide freshwater, keep the earth's temperature stable (supporting SDGs 6 (clean water and sanitation) and 13 (climate action)), and protect biodiversity sources (helping SDGs number 15 (life on land)) Seymour (2017).



*Figure 1.1 Indonesian deforestation trends, 2016-2021*

Unfortunately, deforestation is a persistent issue in Indonesia. This is demonstrated by Figure 2, which depicts data on deforestation from 2016 to 2021. Deforestation that occurs every year, of course, causes a great deal of loss, not only socio-cultural and political losses, but also economic and ecological losses. P4W CRESTPENT (2020)

For example, global warming has visible effects such as erratic weather, and the earth's temperature is rising. If the current hot climate persists, melting mountain glaciers and ice sheets in Antarctica are expected to increase the volume of the ocean, inundating islands and low-lying areas. Other likely impact, Global warming has the potential to alter biological systems. Such as biodiversity of plants, animals, and other forms of life. Adaptation to long-term seasonal climate patterns has established the based on geographical ranges of plant and animal species. Because

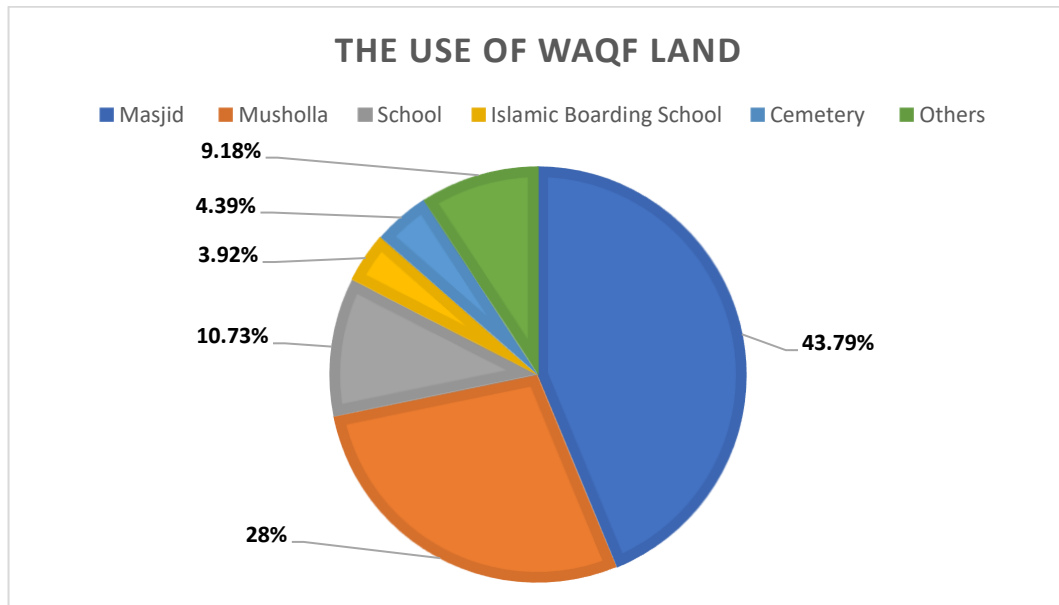
global warming affects these patterns on much shorter timescales than natural climate variability did in the past, relatively abrupt climatic changes may put many species' natural adaptive capacity to the test. A large number of plant and animal species are likely to be threatened with extinction Britannica (2022).

However, efforts to restore forests were also made by many parties, including the German government, which donated 4.2 million hectares to be managed by the community. This is done so that the community can implement sustainable forest management, which will eventually improve the ecosystem and the local community's livelihoods Rosary (2022).

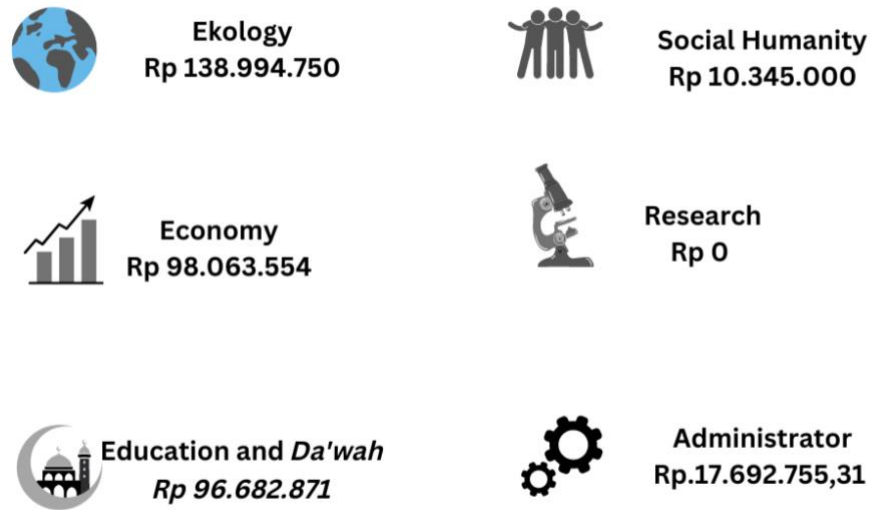
Furthermore, forest restoration efforts aim to slow global warming and contribute to the SDGs' goals. There are also those governed by Sharia law. Take, for example, Bogor's Waqf Forest. The Bogor Waqf Forest arose from an idea about forest waqf written by Khalifah M Ali on the online media sharianews.com in August 2018. In response to the article, a wakif decided to set aside 1500 m<sup>2</sup> of his land for forest development. The waqf land is located in Muara 1 Village, Cibunian Village, Bogor Regency, West Java. As a result of this, the Bogor Waqf Forest Community was established in January 2019 under the auspices of the Yassiru Foundation to further promote the concept of waqf forests. Bogor Waqf Forest was able to collect a number of waqf funds by using the money used to acquire the second waqf forest land 1200 m in June 2019 and the third waqf forest land 38320 m in July 2020.



From Hutan Waqaf Bogor that managed by waqf forest. They concerning on Ecology, Economy, Education, Da'wah, Humanity and research.



*Figure 1.2 Distribution of Funds per Field*



*Figure 1.3 Waqf Forest Bogor's Disbursement of Funds*

Waqf funds obtained from the Bogor Waqf Forest in 2021 received approximately Rp. 361,778,930.31. The funds were distributed to Ecology 38.42 percent or Rp. 138,994,750.00, humanity 2.86%, economy 27.11%, education 26.72%, and Nazhir 4.89%. Along with the benefits received by waqf recipients, the people around them will be more prosperous.

Written in the Law of the Republic of Indonesia No. 41 of 2004 concerning Waqf and PP No. 42/2006, which is directed that the empowerment of waqf is one of the instruments in building the socio-economic life of Moslems. In the new law, the author can draw the conclusion that waqf can include immovable property as well as movable prices. Waqf benefits are defined as extensible, and they can be

used to address social needs and emergencies. The natural environment is one of the awqaf's beneficiaries, hutan waqf it can be sustainable for ecology such as springs, carbon sequestration, and home for animal Al-Ansari (2001).

Previous studies on green waqf have mostly focused on the potential for forest preservation, and there are still few studies that discuss waqf's role in the SDGs. Based on the concerns raised above and previous research. The author is interested in writing a piece titled "Bogor Forest Waqf's Contribution to SDGs."

#### B. Problem Formulation

The Waqf Forest Bpgor is the subject of this research. However, this study specifically seeks to answer the following research questions:

1. How does the forest waqf establish?
2. How can Bogor Forest Waqf contribute to SDG 1?
3. How can Bogor Forest Waqf contribute to SDG 6?

#### C. The Objective Study

Based on the introduction above the researcher wants to answer the formulation of research problems as follows:

- a. To describe the establishment of Bogor Forest Waqf?
- b. To analyze the role of Waqf Forests in Bogor, green waqf towards SDGs number 1 (no poverty)?
- c. To analyze the role of the Waqf Forest in Bogor towards SDG number 6 (clean water and sanitation)?

#### D. Significant of the study

The study is expected to provide benefits for related parties, including:

1. For researcher

For researchers themselves, by conducting this research It is hoped that they will gain experience and expertise, put theories learned in lectures into practice, and inspire research as Muslims in the field of Islamic finance. It can also serve as a resource for students to share their thoughts on Green Waqf.

2. Benefits for society

For society, this research is expected to be contribute in developing or innovating the waqf management especially in term of waqf forest.

3. For Student

The study is expected to be a reference for students on their views about Waqf Productive. Furthermore, the result is also expected to provide data for the department to give insight to lecturers in the International Program of Islamic and Finance Department to the information of waqf.