

IMPLEMENTATION OF BWI REGULATION NUMBER 1 OF 2020 ON PRODUCTIVE WAQF MANAGEMENT AT THE SYNERGI FOUNDATION INSTITUTION

Asep Ahmad Ridwansah¹, Oyo Sunaryo Mukhlas²

¹ Universitas Islam Negeri Sunan Gunung Djati, Bandung

² Universitas Islam Negeri Sunan Gunung Djati, Bandung

E-mail: ¹⁾ ahmadridwansah16@gmail.com , ²⁾ oyosunaryomukhlas@uinsgd.ac.id

Abstract

This study aims to analyze the implementation of Indonesian Waqf Board (BWI) Regulation No. 01 of 2020 concerning the Management of Productive Waqf within the Sinergi Foundation, located in Bandung City. The regulation was issued as an operational guideline for nazhir (waqf managers) to manage waqf assets professionally, productively, and accountably. This research employs a qualitative approach using a case study method. Data collection techniques include observation, in-depth interviews, and document analysis. The findings reveal that the Sinergi Foundation has implemented the principles outlined in the BWI regulation effectively through an established institutional system, a social investment-based management strategy, and the application of transparent and digital-based governance. However, several challenges persist, such as the limited availability of professional human resources in waqf management and the need for more detailed derivative regulations. This study recommends enhancing nazhir capacity, strengthening monitoring systems, and expanding stakeholder collaboration to achieve sustainable and impactful productive waqf management for society.

Keywords: *Productive Waqf; Indonesian Waqf Board (BWI); Sinergy Foundation; Waqf Management.*

1. INTRODUCTION

Waqf is one of the instruments in the Islamic economic system that has a very strong social and spiritual dimension. As a form of jariyah alms, waqf not only provides spiritual benefits for waqf (waqif), but also a means to create social justice and economic welfare for the wider community. In Islamic history, waqf has played a strategic role in the development of Muslim civilization, such as the establishment of schools, hospitals, libraries, and even irrigation and agriculture during the Ottoman Caliphate (Syakir, 2016).

However, in Indonesia, the great potential of waqf has not been optimally exploited. Data from the Indonesian Waqf Agency (BWI) notes that there are more than 420,000 waqf land points in Indonesia, with an area of around 57,000 hectares, but most of them are still in the form of static waqf such as mosques and tombs, not productive waqf (BWI, 2022). In fact, the concept of productive waqf has great potential to alleviate poverty and strengthen

the economic resilience of the people through asset management that generates economic value in a sustainable manner.

Realizing the importance of transforming waqf management in a productive direction, BWI issued Regulation No. 01 of 2020 as an effort to regulate, foster, and encourage nazhir professionalism in managing waqf. This regulation covers aspects of planning, implementation, reporting, and supervision of productive waqf with the principles of prudence, transparency, accountability, and in accordance with Islamic law.

One of the institutions that actively implements the principles of productive waqf in Indonesia is the Sinergi Foundation based in the city of Bandung. This institution is known as a pioneer in the development of various innovative productive waqf programs, such as the development of sharia property, restaurants, integrated agriculture, campus cafes, and halal tourism projects (Devi, Riska, 2020). Through *Wakafpro Corporation's* business unit, Sinergi Foundation manages waqf assets with a professional management approach and the distribution of the proceeds is used to fund various social, educational, and health programs for the poor (Sinergi Foundation, 2024).

However, the implementation of a productive waqf policy is inseparable from various challenges, both in terms of institutions, public understanding, and regulations that still need strengthening. Therefore, this study aims to analyze the extent to which the implementation of BWI Regulation No. 01 of 2020 is carried out by the Sinergi Foundation, as well as assess its impact on the economic empowerment of the people in the city of Bandung.

This research is important to provide an empirical overview of the success and challenges of implementing productive waqf regulations at a practical level. In addition, the results of this study are expected to be a reference for policy makers, waqf practitioners, academics, and the community in strengthening productive waqf governance in Indonesia.

2. RESEARCH METHODOLOGY

This research uses a qualitative approach with a descriptive-analytical case study method to explore in depth the implementation of BWI Regulation No. 01 of 2020 at the Sinergi Foundation of Bandung City. The research location is focused on the head office and units related to productive waqf management, such as the Waqf Division, Waqf Health Services, and Waqf-Based Student Dormitory. Data was collected through participatory observation, in-depth interviews with key informants, and documentation studies of various official documents of the institution. Data analysis is carried out interactively through reduction, presentation, and conclusion drawn, with validity maintained through triangulation of sources and methods as well as expert discussions. This study aims to provide a comprehensive overview of the practice of productive waqf management within the regulatory framework of the Indonesian Waqf Agency.

3. RESULTS AND DISCUSSION

3.1. Profile and Strategy for Productive Waqf Management at Sinergi Foundation

Sinergi Foundation (SF) is an Islamic philanthropic institution based in the city of Bandung, established in 2002. This institution carries the spirit of collaboration in building civilization by managing Islamic social funds professionally, especially zakat, infaq, alms, and waqf. SF stands out in the development of productive waqf that is not only socially oriented, but also developed through modern business approaches, making it one of the pioneers of professional waqf management in Indonesia (Sinergi Foundation, 2025).

As a nazhir institution that has been officially registered with the Indonesian Waqf Agency (BWI), SF develops various productive waqf portfolios through a social business unit called *Wakafpro Corporation*. This unit carries out a waqf asset management strategy by prioritizing the principles of sustainability, accountability, and community empowerment orientation. The waqf assets managed include the agriculture, livestock, property, health services, education, and community-based economic empowerment sectors.

SF adopts a strategic management model in the management of productive waqf that integrates sharia principles with modern management approaches. In this perspective, SF runs a waqf management cycle which includes:

- Identification and acquisition of waqf assets (both cash waqf and waqf of immovable objects such as land);
- Economic feasibility analysis (feasibility study) on the development of waqf assets;
- Development of sharia-based businesses to manage these assets productively;
- Distribution of business results to social and humanitarian programs such as health services, education, and the economy (Nurfadilah, Eka, 2022).

These steps are carried out with transparent governance, including the preparation of a Productive Waqf Business Plan (RBWP) as mandated in Article 5 of BWI Regulation No. 01 of 2020 concerning Productive Waqf Management.

3.1.1. Productive Waqf Program Portfolio

Some of the leading forms of productive waqf programs developed by SF include: Integrated Healthy House Waqf, Agroindustrial Waqf, Retail and Property Waqf, MSME Waqf and Business Capital (Sinergi Foundation, 2023).

These programs show that SF does not only focus on traditional waqf management (such as the construction of mosques or tombs), but directs waqf management to productive sectors that have a high economic impact on the community. This is in line with the spirit of *tajdid* (renewal) in contemporary mu'amalah fiqh.

SF applies the *Hybrid Islamic Social Enterprise model*, which is a combination of social entities and business models. Productive waqf is managed within the framework of

social business, where profits are reused for social benefits, not for capital owners. In practice, SF emphasizes the principles: *Sharia compliance, Sustainability and Impact orientation* (Lubis, Suhrawardi K, 2019).

3.1.2. Organizational Capabilities and Governance Strengthening

SF strengthens the organizational structure with the establishment of a special division for waqf management, recruitment of professionals from sharia economic, business, legal, and financial backgrounds. In addition, management implements *good governance principles* such as transparency of financial statements, accountability in the use of funds, public involvement in program supervision, and the implementation of an information technology-based reporting system.

Independent audits are conducted annually, and annual reports are publicly published on the institution's official website. This step reflects the application of the principles of transparency and professionalism as stipulated in BWI Regulation No. 01 of 2020 Articles 6 and 7 (BWI, 2020).

3.2. Implementation of BWI Regulation No. 01 of 2020 on the Management of Productive Waqf at Sinergi Foundation

BWI Regulation No. 01 of 2020 concerning Guidelines for the Management and Development of Waqf Property is an important milestone in strengthening productive waqf governance in Indonesia. The goal is for waqf management to be carried out professionally, transparently, and oriented towards the benefit of the people. Sinergi Foundation, as one of the active nazhir institutions in Indonesia, has applied the principles of this regulation in the management of various productive waqf programs that it manages.

3.2.1. Sharia Principles and the Provision of Waqf (Articles 2 and 3)

Sinergi Foundation ensures that all activities in the management and development of waqf assets are carried out productively and in accordance with sharia principles, as stipulated in Article 2 paragraph (2) of BWI Regulation No. 01 of 2020. For example, productive waqf projects such as Waqf Clinics, Integrated Agricultural Waqf, and Waqf Student Dormitory not only meet economic criteria, but also sharia in terms of contracts, use of funds, and their designation.

In addition, this institution maintains that the allocation of waqf property is not changed without written permission from BWI, in accordance with the provisions of Article 3. If the transfer of functions is carried out, it must prove to be more useful and productive for the interests of the people (BWI, 2020).

3.2.2. Institutions and Governance (Articles 4 and 24)

The Synergy Foundation strengthens institutional capacity by forming a special division that handles waqf professionally, namely the Productive Waqf unit. This unit consists of management teams, asset development, as well as accounting and reporting staff. This system is in line with Article 4 of the BWI Regulation which states that BWI has the right to dismiss nazhir if it does not carry out its duties properly—therefore, the establishment of a strong structure is a preventive effort against administrative disorder.

In terms of reporting, SF has fulfilled the provisions of Article 24 by submitting periodic waqf management reports to BWI and the Ministry of Religious Affairs. This report includes financial statements, benefit distribution, and development of waqf assets (BWI, 2020).

3.2.3. Optimization of Waqf Results and Benefit Distribution (Articles 23 and 25–27)

BWI regulations mandate that the net proceeds of waqf management must be allocated at least 50% for maukuf alaih and a maximum of 10% for nazhir, while the rest is for reserves. The Sinergi Foundation complies with this division and uses the proceeds of waqf management for various community programs such as scholarships, free health services, MSME coaching, and community-based food security programs.

In the context of distribution, SF implements two forms: direct and indirect (Article 25). Direct distribution is carried out through internal social programs such as Waqf Service Clinics and Free Maternity Homes. Meanwhile, indirect distribution is carried out through partnerships with trusted community empowerment institutions and Islamic organizations.

3.2.4. Digital Innovation and Waqf Participation

One form of implementation innovation is the use of digital platforms for transparency and waqf donations. Sinergi Foundation developed an online waqf dashboard that allows the public to monitor financial performance, project progress, and benefit distribution reports. This not only increases accountability but also expands the reach of waqf participation, especially from the millennial generation (Interview of the Waqf Division of the Sinergi Foundation, 2025).

Waqf is also facilitated in waqf through automatic transfer systems (auto debit), QRIS, and e-wallet channels. This initiative is in accordance with the spirit of digitalization as emphasized in the provisions on money waqf in the BWI Regulation (Chapters III and VI) (BWI, 2020).

3.3. Challenges and Solutions for the Implementation of BWI Regulation No. 01 of 2020 at Sinergi Foundation

3.3.1. Regulatory Challenges and Legal Certainty

One of the fundamental challenges is that there is still limited synchronization between BWI Regulation No. 01 of 2020 and other regulations that directly intersect with productive waqf, such as Law No. 41 of 2004 concerning Waqf and Government Regulation No. 42 of 2006 concerning the Implementation of the Waqf Law. Some important aspects such as business licensing, taxation of waqf business results, and legal protection of waqf assets still require stronger legal certainty.

SF in practice experiences administrative obstacles when taking care of waqf-based business licensing because the status of waqf land is often considered to be incapable of being used as a basis for commercial business by certain authorities. This slows down the expansion of productive waqf based on agricultural land or property (Synergy Foundation Waqf Division Interview, 2025).

Solution: SF conducts policy advocacy through collaboration with the Zakat Forum (FOZ), the Indonesian Waqf Agency (BWI), and the Sharia Economic Community (MES) to encourage regulatory harmonization and the preparation of *derivative regulations* that are more applicable.

3.3.2. Nazhir's Institutional and Human Resources Challenges

BWI regulations mandate that productive waqf nazhir must be professional, have managerial and business competence, and understand sharia principles. The challenge faced by SF is the need to recruit and train human resources who are able to carry out their functions as *social investment managers* as well as *waqf da'wah agents*.

Not all human resources who work in amil, zakat, and waqf institutions have a business or asset management background. This can lead to less than optimal management of waqf business units, especially in terms of data-based strategic decision-making and market analysis (Nurfadilah, 2022).

Solution: SF conducts continuous training for nazhir and its staff through the *Wakafpreneur School program*, as well as invites mentors from sharia and social business professionals to build human resource capabilities in a sustainable manner (Sinergi Foundation, 2023).

3.3.3. Challenges of Socialization and Literacy of Productive Waqf

Waqf literacy among Indonesian people is still dominated by the perception of waqf as passive worship in the form of graveyard or mosque. The understanding of productive waqf as a long-term social investment instrument is not evenly distributed, especially among the younger generation and MSME actors.

As a result, community participation in productive waqf programs is still relatively limited, both in the form of money waqf and asset waqf. This has an impact on the lack of social and financial capital that can be raised for productive projects.

Solution: SF takes various innovative approaches, such as *the Waqf Goes to Campus digital campaign*, educational webinars, and waqf storytelling through social media platforms and YouTube. This strategy is quite successful in reaching the young segment of urban Muslims and strengthening the waqf base of the new generation.

3.4. The Impact of the Implementation of BWI Regulation No. 01 of 2020 on the Management of Productive Waqf at the Sinergi Foundation

The implementation of BWI Regulation No. 01 of 2020 concerning Productive Waqf Management has had a significant impact on waqf governance at the Sinergi Foundation (SF). This impact is not only administrative and institutional, but also has an impact on social, economic, and public trust in waqf management institutions. This impact assessment includes the dimension of asset sustainability, benefit optimization, and increased accountability and professionalism in productive waqf management.

3.4.1. Increased Accountability and Transparency of Nazhir

One of the most tangible impacts of the implementation of BWI regulations is the increase in accountability and transparency in waqf management. SF applies the principle of periodic reporting to the public, as stipulated in Article 24 of BWI Regulation No. 01 of 2020, which requires each nazhir to submit an annual report on waqf management in writing and openly. SF adopts sharia-based financial reporting standards as well as internal and external audits to ensure that public trust is maintained (BWI, 2020).

3.4.2. Strengthening the Institutional Function of Nazhir

The implementation of the BWI Regulation also encourages the Sinergi Foundation to strengthen its institutional capacity. This can be seen from the establishment of special units such as *the Waqf Productive Division, Asset Development Team, and Sharia Compliance Monitoring* which are specifically tasked with handling the management, development, and supervision of productive waqf assets (Sinergi Foundation, 2023). This institutional structure emphasizes the role of nazhir not only as a passive manager, but as an active actor in waqf-based social and economic transformation.

Sinergi Foundation is also active in establishing strategic partnerships with the private sector, academia, and local governments in the development of productive waqf programs. This collaboration expands the institutional impact and strengthens the network of da'wah of the sharia economy at the local and national levels.

3.4.3. Asset Optimization and Program Sustainability

These regulations encourage more systematic asset governance, with a focus on sustainability and long-term benefits. Under BWI's guidelines, SF developed a number of productive waqf projects, such as organic farmland in Lembang, sharia rental housing for the poor, and waqf clinics for low-cost health services for the underprivileged.

Through professional and portfolio-based management, these assets are able to generate productive surpluses that are realised to finance social programs. In its 2023 annual report, SF reported that 41% of total funding for social programs came from the results of productive waqf management. This shows the real contribution of waqf to sustainable *social financing* (Sinergi Foundation, 2023).

4.4.4. Increasing Literacy and Participation of Wakif

One of the missions of BWI Regulation No. 01 of 2020 is to encourage increased public literacy towards productive waqf. SF actively carries out educational campaigns through social media, seminars, digital waqf training, and collaboration with universities in the form of *the Waqf Goes to Campus program*. As a result, there has been a significant increase in the number of young waqf and the use of digital channels for waqf donations over the past two years.

This phenomenon shows that good regulation will encourage the growth of a healthy and inclusive waqf ecosystem. The participation of the younger generation is a strategic asset in expanding the productive waqf movement in the digital era (Suharto, Edi, 2022).

4. CONCLUSION

The implementation of the Indonesian Waqf Agency (BWI) Regulation No. 01 of 2020 concerning Productive Waqf Management at the Sinergi Foundation of the City of Bandung shows positive achievements in encouraging professionalism, accountability, and expanding the benefits of waqf in the community. This regulation functions not only as a legal-formal guideline, but also as an ethical and managerial framework in optimizing the productive management of waqf assets. Sinergi Foundation has succeeded in adopting this regulation through the improvement of the governance system, the establishment of special institutional structures, and various innovations that support the sustainability and productivity of waqf. This proves that waqf can play an active role as a socio-economic instrument that has a real impact, especially for poor people, small farmers, underprivileged students, and underprivileged patients.

Furthermore, the implementation of this regulation also encourages wider public participation, especially from the younger generation, through educational approaches, digitization of the waqf system, and information disclosure that strengthens waqf trust. However, challenges remain, including in standardizing nazhir competencies, sustainability of waqf assets, and strengthening multi-stakeholder collaboration. Therefore, synergy is needed between the government, BWI, philanthropic institutions, universities, and the wider community to make productive waqf one of the main pillars in sharia-based socio-economic development in the future.

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