

## Development of Waqf With a Sheep Farming Model (Case Study of Mitra Tani Farm)

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### ABSTRACT

The management of waqf funds doesn't have to be used for buildings or as vacant land only but can be used as a productive activity. One of them is through the Sheep Farming Productive Waqf program. It's because sheep's needs are categorized into the community's basic needs. The purpose of this study was to analyze the sheep farm waqf management by MT Farm and the community's perception of the waqf of sheep farm. The development of the livestock waqf program is carried out through the Business Model Canvas approach, which is tested using the SEM Lisrel method. Some of the research methods used include interviews and questionnaire collection. A total of 170 respondents were successfully collected and processed using the overall match test of the variable model, the match test of the measurement model of all variables, and the general match test of the structural equation model. The results of this study shows the standardization value less than  $\geq 1.96$  makes several indicators insignificant, including customer relationship indicators, value propositions, channels, and critical resources. This means that public education on sheep farming waqf must continue to be provided so that the livestock waqf management program at MT Farm can be feasible to continue to be developed. In addition, it can help increase the supply of sheep livestock from the land, livestock and operational waqf components simultaneously.

**Abstrak:** Pengelolaan dana wakaf tidak harus dimanfaatkan untuk bangunan atau sebagai lahan kosong saja, melainkan dapat dimanfaatkan sebagai suatu kegiatan yang produktif dan menghasilkan. Salah satu nya melalui program Wakaf Produktif Peternakan Domba. Karena kebutuhan domba di kategorikan menjadi kebutuhan pokok masyarakat. Tujuan penelitian ini dilakukan untuk menganalisa manajemen pengelolaan wakaf peternakan domba oleh MT Farm dan bagaimana persepsi masyarakat terhadap wakaf peternakan domba. Pengembangan program wakaf peternakan dilakukan melalui pendekatan Business Model Canvas (BMC) yang diuji dengan metode SEM Lisrel.

Beberapa metode penelitian yang digunakan diantaranya wawancara dan pengumpulan kuesioner. Sebanyak 170 responden berhasil dikumpulkan dan diolah dengan menggunakan uji kecocokan keseluruhan model variabel, uji kecocokan model pengukuran seluruh variabel, uji kecocokan keseluruhan model persamaan struktural. Hasil dari penelitian ini menunjukkan pengembangan wakaf peternakan menunjukkan bahwa nilai signifikansi yang masih rendah. Nilai standarisasi yang kurang dari  $\geq 1,96$  membuat beberapa indikator menjadi tidak signifikan diantaranya indikator customer relationship, value proposition, channels, keyresources. Artinya, edukasi masyarakat akan wakaf peternakan domba harus terus diberikan agar program pengelolaan wakaf peternakan di MT Farm bisa layak untuk terus dikembangkan. Selain itu, dapat membantu menambah pasok ternak domba dari komponen wakaf tanah, ternak dan oprasional secara bersamaan.

**Kata kunci:** manajemen wakaf, pengelolaan wakaf, peternakan, wakaf, wakaf produktif

## INTRODUCTION

Indonesia is one of the countries with the largest Muslim population from all over the world, with significant economic potential. This statement is proven by the data provided by Global Islamic Finance that Indonesia is ranked first in the 2021 Islamic Finance Country Index category.<sup>1</sup> The sign is that Indonesia's potential for social and economic development can develop significantly through the optimal optimization of social-economic activities. One of the supporting social and economic activities that can be utilized is waqf management which can empower many local communities.<sup>2</sup>

If Indonesia becomes one of the largest Muslim populations in several countries around the world, the needs of the Muslim community for Islamic law will be a top priority. One of them on the needs of sheep livestock. Sheep are one of the animals that can be a staple food for Muslim communities and objects of sunnah worship carried out by Muslims, especially in performing the Aqiqah worship and making sacrifices at the Eid al-Adha celebration. Indonesia is the largest market share for sheep from all over the world. Evidenced by data from the Central Statistics Agency, which explains that in 2021, the sheep population in Indonesia will reach 17 million heads.<sup>3</sup> Therefore, the supply of sheep is a significant need for the Muslim ummah because it is used to supply food and for the needs of sunnah worship in Islam.

Seventy-five percent of waqf assets are still utilized by mosques or mosques, 14% are used for education, 5% are used for funerals, and 6% are used for other purposes; generally, the usage of waqf assets is still concentrated on the less productive. Waqf is often utilized in Indonesia for the construction of religious buildings such mosques, pesantren, and cemeteries. Most waqf land is

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<sup>1</sup> Muhammad Abrar Kasmin Hutagalung, "PENGARUH KUALITAS PELAYANAN DAN BAGI HASIL TERHADAP MINAT MASYARAKAT MENJADI NASABAH BANK SYARI'AH," *JURNAL AL-QASD ISLAMIC ECONOMIC ALTERNATIVE* 1, no. 2 (September 26, 2019): 228-39, doi:10.22303/AL-QASD.1.2.2017.228-239.

<sup>2</sup> Alma, "Optimalisasi Asset Wakaf Melalui Sukuk Wakaf Di Indonesia," *JESI (Jurnal Ekonomi Syariah Indonesia)* 9, no. 2 (February 28, 2020): 127-37, doi:10.21927/JESI.2019.9(2).127-137.

<sup>3</sup> Ekonomi Warta, "Buat Isi Pasar Ekspor, Pemerintah Genjot Populasi Kambing dan Domba," *Warta Ekonomi*, 2022, <https://wartaekonomi.co.id/read397023/buat-isi-pasar-ekspor-pemerintah-genjot-populasi-kambing-dan-domba>.

utilized for social facilities that do not generate revenue, hence not all of waqf's potentials have been explored.

Waqf land in Indonesia has reached 4.359.443.170.00 square meters (four billion 359,443,170.00 square meters) or 287.160 hectares (two hundred eighty,000,716.00 hectares) across 435.768 locations across Indonesia's various sectors, as reported by the Indonesian Ministry of Religion.<sup>4</sup>

Data from the livestock department shows that in 2021, the addition of the sheep population in Indonesia will only reach 164,206 heads per year, or the equivalent of 13,600 heads per month.<sup>5</sup> Meanwhile, according to data from the Central Statistics Agency, the need for lamb meat reaches 72,000 tons per year, or the equivalent of 200,000 sheep.<sup>6</sup> There needs to be more than the number of sheep population additions to meet the needs of the market share in Indonesia.

Moreover, suppose data is drawn about the needs for Aqiqah and Qurban worship which are more dominant in sheep, based on an interview with the chairman of the aqiqah service procurement industry association in Jabodetabek. In that case, monthly sales data for aqiqah sheep can reach 10,000 heads. Therefore, the supply of sheep is needed to support the market needs of the Muslim community for sheep in Indonesia, both for daily food and in the context of worship.

Waqf is an Islamic institution in which a property or an asset is donated to a charitable cause to benefit society. Waqf assets are meant to be used in perpetuity, with the income generated from the asset being used for charitable purposes. Waqf can be a powerful tool for promoting economic development, mainly when used in productive ways.

One potential application of waqf is sheep farming. Sheep farming can be a profitable and sustainable business that provides a reliable source of income for farmers. By donating land or other assets to a waqf dedicated to sheep farming, individuals or organizations can help promote economic development while supporting charitable causes.

There are several ways in which waqf can be used to support sheep farming. For example, a waqf could be established to fund the purchase of sheep, feed, and other necessary supplies. The income generated from selling wool, meat, and other products could be used to support charitable causes. Another approach would be establishing a waqf that provides training and support to farmers interested in starting a sheep farming business. The waqf could provide funding for training programs, as well as for the purchase of land

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<sup>4</sup> Abdur Rohman et al., "Construction of Waqf Istibdal Regulations for Empowering Non Productive Waqf in Indonesia" (Riau Annual Meeting on Law and Social Sciences (RAMLAS 2019), Atlantis Press, 2020), 134-37, doi:10.2991/assehr.k.200529.286.

<sup>5</sup> dataindonesia.id, "Populasi Domba Indonesia Capai 17,9 Juta Ekor Pada 2021," 2022, <https://dataindonesia.id/Sektor%20Riil/detail/populasi-domba-indonesia-capai-179-juta-ekor-pada-2021>.

<sup>6</sup> Badan Pusat Statistik, "Populasi Domba Menurut Provinsi (Ekor), 2019-2021," accessed July 28, 2022, <https://www.bps.go.id/indicator/24/473/1/populasi-domba-menurut-provinsi.html>.

and equipment. By supporting the development of small-scale sheep farming businesses, waqf can help promote economic development and reduce poverty in rural areas.

The relationship between productive waqf and sheep farming can be mutually beneficial. Productive waqf can provide a reliable source of funding and support for sheep farming, while sheep farming can generate income and promote economic development. Additionally, sheep farming can be a sustainable business that is well-suited to waqf, as the income generated from the sale of products can be used to support charitable causes in perpetuity.

Waqf can be a powerful tool for promoting economic development, and sheep farming is one area where waqf can be particularly effective. By donating assets to a waqf dedicated to sheep farming, individuals and organizations can help promote sustainable economic development while supporting charitable causes. The relationship between productive waqf and sheep farming can be mutually beneficial, with waqf providing funding and support for sheep farming and generating income that can be used to support charitable causes in perpetuity.

The lack of supply of sheep for market share in Indonesia makes breeders have to be able to anticipate livestock or breeding development programs optimally. One of the concepts of developing sheep livestock can use the extensive method or the concept of "cattle coming to the feed." By using this concept, sheep can develop more freely to improve the cycle of animal hormones which can support the maximum breeding of livestock.

However, livestock breeding methods using extensive methods will require a large area of land.<sup>7</sup> Therefore, the strength of funding sources is needed to oversee the potential development of livestock breeding programs with an extensive concept. On a large scale, waqf funds are one of the most abundant sources. Through the effective waqf program, the sheep breeding program can run optimally because it will be managed and supervised by professional experts to support the needs of sheep in Indonesia.

MT Farm is a company engaged in the livestock industry. MT Farm is trying to develop a model for the development of sheep farming waqf sourced from the company's internal funding. With 50 goats in NTT, to be precise in Labuan Bajo, using an extensive breeding method. Even though it has experienced ups and downs in the waqf management mechanism, it has been proven that the waqf concept of livestock breeding has been running. Now, MT Farm can increase the supply of sheep for food stock or Aqiqah and Qurban activities for the surrounding community.

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<sup>7</sup> Ade Zulkarnaen, Firmansyah Firmansyah, and Muhammad Farhan, "Analisis Perbedaan Potensi Eksternal Dan Internal Antara Pola Pemeliharaan Ternak Sapi Di Kebun Sawit Kecamatan Sungai Bahar," *Jurnal Ilmiah Ilmu-Ilmu Peternakan* 25, no. 1 (July 1, 2022): 40-47, doi:10.22437/JIIP.V25I1.15767.

If all livestock activities in Indonesia follow MT Farm's footsteps in terms of management, then Indonesia could become one of the largest suppliers of sheep from all over the country. The livestock productive waqf scheme can be a solution to the above problems.

This research tries to examine the management mechanism of livestock waqf in MT Farm to become a prototype of livestock waqf to improve people's welfare.

## METHODS

This study used two data sources which include primary data and secondary data. Primary data is data obtained or collected directly from its data source.<sup>8</sup> Primary data in this study were obtained from filling out questionnaires by respondents who contributed to MT Farm from owners, breeders, waqf experts, and consumers. The type of data obtained is in the form of qualitative data and quantitative data.

Secondary data is obtained or collected from a variety of pre-existing sources.<sup>9</sup> The secondary data used include literature studies to obtain relevant theoretical data, Indonesian animal food needs data, and other sources relevant to this study.

The sheep farm waqf development model that MT Farm will realize requires careful study. Starting from planning, and formulating activities, to budgeting costs. Therefore, a plan for the development of instruments to formulate goals, establish criteria, scale measurements of instruments, and score.

This stage is a step in looking at the ongoing business model using the nine elements of the Business Model Canvas. The data collection techniques used in this study included observation, interviews, and the dissemination of questionnaires.

The population is a set of objects used as research material (study) with the same characteristics.<sup>10</sup> The population in this study was 2000 people consisting of consumers from MT Farm, MT Farm employees, MT Farm company owners, partners or livestock experts. Lecturer of Waqf science and the institution that houses the Waqf scheme. All respondents' votes will result in an analysis of the continuation of the livestock waqf development scheme and the ability of MT Farm to be the nadir in its management.

The sample is the part of the population that represents it. The sample used in the SEM (Structural Equation Modeling) study is minimal.

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<sup>8</sup> Titin Pramiyati, Jayanta Jayanta, and Yulnelly Yulnelly, "PERAN DATA PRIMER PADA PEMBENTUKAN SKEMA KONSEPTUAL YANG FAKTUAL (STUDI KASUS: SKEMA KONSEPTUAL BASISDATA SIMBUMIL)," *Simetris: Jurnal Teknik Mesin, Elektro dan Ilmu Komputer* 8, no. 2 (November 1, 2017): 679–86, doi:10.24176/simet.v8i2.1574.

<sup>9</sup> Nanang Martono, *Metode Penelitian Kuantitatif: Analisis Isi Dan Analisis Data Sekunder* (RajaGrafindo Persada, 2010).

<sup>10</sup> A Supangat, *Statistika Dalam Kajian Deskriptif, Inferensi, Dan Nonparametrik* (Jakarta: Kencana, 2007).



One hundred samples. According to Ghozali, in the SEM method, the sample size is between 100-200. Guidelines for determining the sample size (sample size) for SEM according to Solimun are:

1. When parameter estimation using the maximum likelihood estimation method, the recommended sample size is between 100 and 200, with a minimum sample size of 50.
2. By 5-10 times the number of parameters in the model.
3. Equal to 5-10 times the sum of the indicators of the entire latent variable.

Indicators in this study have as many as 20 indicators; referring to the third point, the minimum sample size of  $5 \times 34$  or 170 samples, so the sample of this study is 170 people as respondents. The sampling technique used a simple random sampling technique, in which each element that makes up the population is given the same opportunity to be selected as a sample.<sup>11</sup>

The analysis technique uses analytical techniques with the *Structural Equation Modeling* method, known as SEM. Some of the reliability and validity tests used include the Goodness of fit test, which includes overall model fit indicators, *measurement model fit*, and *structural model fit*.

## RESULT AND DISCUSSION

Since the Government Regulation No. 28 of 1977, which addresses land ownership, waqf has attracted significant attention in Indonesia. The use of waqf for productive purposes may have a beneficial effect on the local ecosystem. The Unisma Hospital will have a good effect since it will help shape and sustain the community's economic and social empowerment. The hope is that these initiatives would improve residents' quality of life.<sup>12</sup>

The term "waqf" refers not only to land waqf but also to waqf that is used for economic purposes. To begin, productive waqf is a people-driven system for managing waqf donations that generates long-term profit. Donations to a waqf may be either transportable, like money or precious metals, or immovable, like land or a structure. The excess from productive waqfs may be used to finance social services like healthcare and education.

Waqf comes from the word waqf in Arabic, which means to stop/hold. In other words, waqf is the transfer of immovable property to another person or a group of people so that it can be put to good use. According to Mundzir Qahaf, waqf is giving assets or productive objects regardless of personal interference, channeling the results and benefits specified by the objectives of waqf, both for the benefit of individuals, society, religion, or the general

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<sup>11</sup> Sugiyono, *Metode Penelitian Kuantitatif Dan R&D*, 2018.

<sup>12</sup> Linda Seprillina and Vika Annisa Qurrata, "The Effectiveness Productive Waqf as a Social Welfare Development Through Community Empowering: A Case in Islamic Hospital Foundation Malang" 9, no. 3 (2020).

public.<sup>13</sup> Productive waqf is one of the most frequently used waqf schemes by most waqifs. Although most waqifs choose productive waqf as a solution to managing the assets to be donated, there are not a few waqifs whose realities do not understand the meaning of productive waqf itself.<sup>14</sup>

The development of waqf with a sheep farming model can be analyzed using several theoretical frameworks. Here are some of the theories that can be applied to this context:

1. Islamic Economics: The concept of waqf is rooted in Islamic economics, which emphasizes the role of economic activities in serving social and humanitarian objectives. The Islamic economic system aims to promote social welfare and equity through various means, including waqf. In the context of sheep farming, the principles of Islamic economics can guide the establishment of a waqf that promotes sustainable and equitable economic development.
2. Social Entrepreneurship: Social entrepreneurship is a business model that aims to create social and environmental impact alongside financial returns. The development of a waqf with a sheep farming model can be seen as a form of social entrepreneurship, where the goal is not only to generate profit but also to promote social welfare. By creating a waqf that supports sheep farming, individuals and organizations can leverage their resources and expertise to create positive social and economic impact.
3. Sustainable Development: Sustainable development is a framework that aims to balance economic growth, social development, and environmental protection. The development of a waqf with a sheep farming model can contribute to sustainable development by promoting economic growth in a way that is environmentally sustainable and socially responsible. By supporting small-scale sheep farming businesses, waqf can create employment opportunities, reduce poverty, and promote sustainable land use.
4. Philanthropy: Philanthropy refers to the act of donating time, money, or resources to charitable causes. The concept of waqf can be seen as a form of philanthropy, where individuals and organizations donate assets to support charitable causes in perpetuity. By establishing a waqf that supports sheep farming, philanthropists can create a lasting impact that supports both economic development and charitable causes.

Islam's introduction of the waqf was groundbreaking. Muslim scholars are in agreement that there was no physical manifestation of waqf in Arabia prior to the advent of Islam. According to Muslim legal scholars, the custom

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<sup>13</sup> Bashlul Hazami, "Peran Dan Aplikasi Wakaf Dalam MeWujudkan Kesejahteraan Umat Di Indonesia," *Analisis: Jurnal Studi Keislaman* 16, no. 1 (2016): 173-204, doi:10.24042/ajsk.v16i1.742.

<sup>14</sup> Ulil Albab, "Strategi Pengelolaan Wakaf Produktif Dalam Rangka Pemberdayaan Umat Di Kecamatan Terbangi Besar," 2019.

dates back to the lifetime of the Prophet (peace be upon him). The Holy Quran does not define waqf or make any specific reference to it, although it does call on Muslims to engage in charitable acts. Allah has promised many blessings to those who give lavishly in His service.<sup>15</sup>

In conclusion, the development of waqf with a sheep farming model can be analyzed using various theoretical frameworks, including Islamic economics, social entrepreneurship, sustainable development, and philanthropy. By understanding these theories, individuals and organizations can create effective and impactful waqf initiatives that promote sustainable economic development and support charitable causes.

Not a few institutions take advantage of the livestock waqf program in an area to boost the economy of the surrounding community.<sup>16</sup> The livestock waqf scheme not only has the potential to be able to support the economy of the livestock farmers in the vicinity but can also support the activities of the vacant land occupied so that it can become a local wisdom tour for each area so that it can increase the income of the surrounding community and can provide benefits for people.

Productive livestock waqf can be a potential for various regions, especially in Indonesia, to be utilized as best as possible because Indonesia is an agrarian country and is rich in productive land. The prosperity of a village can be measured as one that can be enjoyed, especially if it is far from monopolistic and individual domination of industry so that close togetherness can be built to achieve one common goal.

The livestock productive waqf scheme is very suitable if it is appropriately implemented and supervised by a professional party. Because it will make the surrounding community feel many benefits, including a lot of human resources that can be productive, many livestock products that can be utilized even manure from livestock can make the land fertile. Therefore, the potential for productive livestock waqf must be realized carefully and assisted by the surrounding community so that the existing livestock products can be productive and not decrease in value.

It has been widely agreed upon throughout Islamic history that a key component in achieving social and economic wellbeing is the integration of Islamic social and commercial finance. The Prophet urged Utsman ibn 'Affan to turn a water well he had purchased into a waqf so that it may be used by the community. Such legacy has recently been expanded as waqf to meet the requirements of modern society. Dompot Dhuafa, an Islamic charity in Indonesia, provides all of its services at the waqf hospital at no cost to patients. In most cases, the waqf will foot the bill for this hospital's daily operations. The

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<sup>15</sup> Mochammad Arif Budiman, "The Significance of WAQF for Economic Development," SSRN Scholarly Paper (Rochester, NY, 2014), <https://papers.ssrn.com/abstract=2995473>.

<sup>16</sup> Ahmad Syakir, "Pemberdayaan Ekonomi Umat Islam Indonesia Melalui Wakaf Produktif," *Al-Intaj: Jurnal Ekonomi Dan Perbankan Syariah* 2, no. 1 (September 4, 2018), doi:10.29300/AIJ.V2I1.1107.



Pondok Pesantren Darussalam in Gontor, East Java, is a great example of the vital role played by a waqf, as it provides free education and a reasonable standard of living for its santri (students), as well as ihsan (income) for its assatidz (teachers), musyrif, musyrifah, and santricompanion. Waqf is a vital part of pesantren's background. Pesantren, the first institution of Islamic education in Indonesia, relied on waqf for its funding. The influence of pesantren extends beyond the realm of education and into the realms of society, economy, religion, and culture. Because of this shift, pesantren have great potential as sites for expanding waqf. Human and intellectual capital development are aided by the integration of Islamic social and commercial financing in pesantren. There are several people involved in the process of assimilation: the kyai, assatidz or instructor, musyrif, musyrifah or santri companion, and even santri or pupils.<sup>17</sup>

There has been a rise in recent decades of businesses that also serve a social mission. Islamic commercial and social goals are put into action through productive waqf, which is typically associated with religion and the economic structure of Muslim communities. Because of its growth and expansion, waqf is now widely acknowledged as a vital sector that makes significant contributions to the maintenance and improvement of human communities.

The Muslim Ummah has witnessed the development of productive waqf as well as Islamic educational institutions, known as pesantren. Waqf has long been used by Indonesia's pioneering Islamic schools, or pesantren, to operate autonomously on the basis of a self-financing system. Pesantren mushroom across the country, especially in Java, with hundreds opening their doors each year. The goals of both productive waqf and pesantren are welfare promotion, and both have sustainability as a central aspect.<sup>18</sup>

Based on the results of observations and interviews, CV Mitra Tani Farm is a company engaged in the Livestock Industry. Mitra Tani Farm is a company engaged in the livestock business since 2002. Several IPB university alums founded this company from the Tekpang or Food Technology study program. Initially, Mitra Tani Farm only focused on selling a few animals for Qurban, but over time the company was able to build stables that could accommodate 1,000 goats and sheep and 250 cows. The market share of the Mitra Tani Farm company has spread throughout Indonesia and even abroad. Brunei is one of the countries that became the export destination for livestock from Mitra Tani Farm.

Mitra Tani Farm will start managing the development of livestock waqf in September 2021. The development of this livestock waqf comes from the

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<sup>17</sup> Ascarya Ascarya, Muhamad Nadratuzzaman Hosen, and Siti Rahmawati, "Designing Simple Productive Waqf Models for Indonesia," *International Journal of Ethics and Systems* 38, no. 3 (January 1, 2022): 380–401, doi:10.1108/IJOES-07-2020-0101.

<sup>18</sup> Ratih Winarsih, Atika Rukminastiti Masrifah, and Khoirul Umam, "THE INTEGRATION OF ISLAMIC COMMERCIAL AND SOCIAL ECONOMY THROUGH PRODUCTIVE WAQF TO PROMOTE PESANTREN WELFARE," *Journal of Islamic Monetary Economics and Finance* 5, no. 2 (July 24, 2019): 321–40, doi:10.21098/jimf.v5i2.1065.

company's capital. Starting from 50 goats bred in the province of NTT in the Labuan Bajo area, MT Farm began to manage the farm with waqf capital from the company. The sheep breeding process is assisted by the community around Labuan Bajo and several cadres from Indonesian da'i organizations currently running the program.

In its breeding process, MT Farm has experienced ups and downs managing goat livestock waqf in Labuan Bajo. From October to December, there was a decrease in livestock due to death. A total of 25 goats experienced stress due to several climatic and feed factors, which resulted in death. As a result, there was a decline in the of livestock waqf due to the deaths experienced by goats.

The decline in the value of the waqf and MT Farm's losses could be mitigated by increasing the property's sale value, which was also being undertaken at that time. Based on the results of interviews with Setiawan, MT Farm considers that the livestock industry cannot stand alone but must go hand in hand with an industry whose value can continue to increase each period. One of the significant increases in value can be seen from the value of property assets in the form of land or land where the farm can stand alone.

MT Farm tries to open up innovation regarding the effective endowment program for sheep farming which is balanced with the property industry so that it can provide an overview to other livestock business actors as well as to the Muslim community in Indonesia so that they can increase the supply of sheep in Indonesia. MT Farm has solutions and concepts for developing livestock waqf, which can be balanced with its farmland. The concepts that can be explained are as follows:



Figure 1. Livestock Industry Innovation Process

1. Land proportion 60%

The land of a farm is one of the forces in stabilizing the value of livestock being bred. Because the selling price of land per year can increase by 20% per year. So, if there is a death in livestock breeding, then the capital that has been issued will be replaced

2. Livestock Proportion 30%

The needed livestock must be able to cover 30% of the total existing capital. Because the risk of livestock mortality is high, causing the opportunity for livestock needs to be calculated carefully. The livestock capacity needed for the initial capital for breeding the livestock waqf

program is "female puppies." That is, the livestock is still healthy and can reproduce well to produce maximum livestock.

3. The proportion of Operational Cost is 10%

Operational costs are needed for the initial capital of livestock breeding from waqf. The operational costs for initial capital can be in the form of feed and cages. In order for the sheep to meet their needs for clothing and boards, the livestock breeding process becomes optimal.

The results of waqf sheep breeding will be produced for several business categories. One of them is the innovation of ready-to-eat canned meat processing. Later, suppose the livestock supply can meet the needs for food, aqiqah, and qurban. In that case, sheep livestock may also be developed through technological innovations that produce processed canned meat ready to eat. So that they can become Indonesian souvenirs or souvenirs with cross-time and cross-country themes.

All proceeds from sheep breeding, managed using waqf funds, will later be marketed to all consumers spread across Indonesia and abroad. Moreover, most consumers must come from the Muslim community who need sheep not only for food but also for carrying out the shari'ah, namely aqiqah and qurban. MT Farm will also help distribute livestock products that have been managed in order to get a fixed market share so that they can generate profits that can be used to meet the needs of residents around Labuan Bajo.

MT Farm is trying to expand its share of the livestock market through exports, the development of innovations in processed canned meat, supply to several plasma breeders, supplementing food needs, aqiqah and qurban. Not only that, even all parts of livestock can be utilized optimally. Meat can be used for consumption as a food ingredient, while the skin or fur can be used for equipment for a handicraft. Thus, no components are wasted in breeding sheep.

MT Farm has also collaborated with local artisans to produce the best leather products from sheep. So that it can produce a quality product that can be accepted in the market. Some examples of products that artisans around MT Farm have made are:

1. Leather bag
2. Leather jacket
3. Leather Hat
4. Leather gloves
5. Leather shoes
6. Leather Wallet
7. Etc

The potential for developing livestock products is significant if they can be managed maximally and optimally to become quality goods ready to be marketed nationally and internationally.

With the concept of livestock waqf that has developed, it is hoped that it can provide optimal results. Animal husbandry, which can make the surrounding community productive, can also provide food stocks for animal

protein needs to nourish the surrounding community. Therefore, food needs and Islamic law will be managed optimally so there will be no shortage of livestock stocks, especially sheep.

Not only in terms of production but will also develop in marketing. Therefore, an optimal production process will broaden the marketing process. Thus, the community around the livestock waqf area can feel the benefits of the animal waqf livestock market. These profits can be used for the welfare of the surrounding community and provide proper public facilities such as school buildings to improve education. All of this is done so that generations who are born in the future can feel the ease of learning so that they can give birth to children who are intelligent and can make the nation proud Indonesian name.

Interviews and data analysis activities from questionnaires carried out by researchers together with directors, employees, consumers, plasma breeders, expert lecturers in the field of waqf, and waqf analysts have obtained the results of the analysis examined through the elements of the Business Model Canvas with the following description:

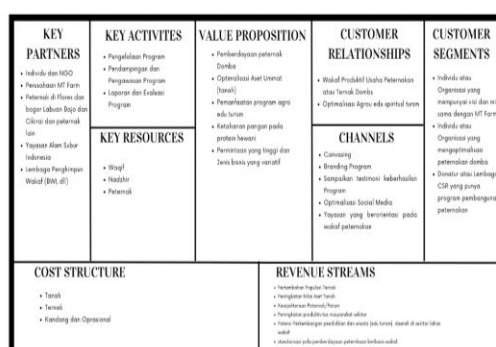


Figure 1 Business Model Canvas Wakaf Peternakan Domba MT Farm

Of the 170 respondents, 67.68% were male, and 33.32% were female. The most significant proportion of age is in the age range of 20-29 years (59.76%). In terms of Professions in MT Farm, the biggest consumers (73.17%). Based on this information, in the context of age, it can be explained that many aged 20-29 agree with this program. This means that the development of the waqf model can be digested at a relatively young age. In terms of the profession in MT Farm, we aim a lot at consumers with the meaning of considering the development of this program. Some of the compatibility tests carried out are as follows:

#### 1. Overall Model Test (Overall Model Fit)

The overall fit test for the model in this study has a chi-square of 546.73. The chi-square statistic follows a statistical test related to significant requirements, where the smaller the chi-square value, the better the model's fit with the data. The GFI is 0.83 because this value is <0.90, so the GFI is said to be a marginal fit, and the RMSEA value is 0.036, and this result is > 0.05, so the RMSEA is said to be a close fit. The following is a table of the overall fit test of the variable model.

## 2. Measurement Model Fit Test (Measurement Model Fit)

This test will be carried out between a latent variable with several indicators. In the estimation results, a variable is said to have good validation of the construct or latent variable if the loading factor t-value is greater than the t-value  $\geq 1.96$  (5%) and the standardized loading factor  $\geq 0.70$  or  $\geq 0.50$ . The following is a T Values chart:

## 3. The results of the estimation of the influence between variables

The results of the livestock waqf development research that has been described have shown that many program evaluations must be carried out. One of them is the addition of human resources in program management so that the program can run optimally. Not only that, the program's branding capability must immediately be supported by many parties and relations so that the livestock waqf management program can quickly get a good response and response from the surrounding community. The results of the livestock waqf management program cannot be felt directly by the surrounding community due to limited management and development of existing funds. As a result, this livestock waqf management program cannot significantly impact if several related parties have not assisted it.

Therefore, financial and management assistance from related parties will significantly support the optimization of the livestock waqf development program. If this program usually runs, supervision is also maximized. The results will lead to optimal benefit and welfare for breeders and farmers in Indonesia and consumers who need sheep for their daily consumptive needs. This livestock waqf development program must always receive support from several related parties because true welfare is private property and shared property, so all needs and results must be shared equally.

## CONCLUSION

Based on the results of research that has been carried out on the Development of Livestock Waqf, the perception of the community about productive waqf for sheep farming, especially in MT Farm, is still not familiar. Public knowledge about waqf is still limited to using resources that cannot run productively. This means that people's fear of losses experienced if they run productive waqf is still limited, so the utilization of waqf value in Indonesia is still less optimal. It is evident from the management of waqf funds, which are only centered on inanimate objects such as vacant land, mosques, etc.

It is necessary to hold education in the community's understanding of effective waqf programs, especially in sheep farming programs, so that the community can work together to build a business that comes from joint capital to generate profits that can be optimized for the surrounding community. So that the business pattern that will be carried out is not only necessarily profit-oriented but can have an impact on the benefits that come from common social



welfare. That is the primary purpose of the waqf value component in doing business, especially in this livestock waqf program.

For this reason, the sheep farming waqf program must be increased in its branding value so that the understanding of the community becomes more expansive and the community can certainly participate in the program's management. In addition to the cost structure component that has been explained, the livestock waqf program cannot only rely on capital from the livestock itself but must be additional land components and operational costs to minimize the losses that will occur from livestock deaths. The livestock model waqf movement must continue to be voiced so that more and more areas can be touched by social welfare built from the surrounding community so that more and more potential for human and natural resource productivity development continues to increase.

Program inputs and evaluations must continue to be implemented so that the improvement of management patterns and the development of the livestock waqf program can continue. Assistance from Waqif's relationships and funding sources will be a reference value for the program's sustainability to lead to future program improvements. All parties must take part in managing and supervising the running of the livestock waqf program so that it can run as expected. The main focus of livestock waqf is to be able to provide benefits that can generate profits, not profits that can provide benefits.

#### **Author's Contribution**

Lulu Musa Dil Piero: Contribute to formulating research ideas, collecting data, processing data, and interpreting data.

Laily Dwi Arsyanti: Contributing to writing systematics, research methods

Budi Susilo Setiawan: Contributing to analyzing interpretation results, the language proofread

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#### **Declaration of Competing Interest**

We declare that we have no conflict of interest

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