

Community Economic Empowerment Management through Micro WAQF Bank

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Abstract

Empowerment management is a very important thing to be applied in an effort to improve the community's economy. Because with good economic empowerment management, the targeted community will be productive and able to manage existing resources. One of the instruments that is considered to have an effect on the economic progress of small communities is the presence of the Micro Waqf Bank, which is a Micro Finance Institution that was born to develop small business empowerment and has a focus on expanding the Islamic economic brand while minimizing loan sharks or in the language of the term is leaving usury. and always put the people's economy first. The existence of the Micro Waqf Bank is believed to be able to increase the financial inclusion of the community, especially for Small and Micro Business actors (SMEs), which of course can be guaranteed ease in capital or financing matters for people who have not been able to reach from formal financial institutions, especially in Islamic boarding schools. The business models owned by Micro Waqf Banks include: A service cooperative legal entity with a business license for a Sharia microfinance institution (LKMS), providing sharia-based financing, not raising funds, low profit-sharing benefits equivalent to 3% per year, without collateral or guarantees, given training and assistance, and supervised by the OJK in coordination with the ministry of cooperatives, Islamic boarding schools and the community. While the benefits of Micro Waqf Banks are training their customers before they are given financing, increasing financial literacy and inclusion, namely to understand knowledge and skills in managing financial resources. Reducing inequality and poverty. Implementing a pick-up and drop-off system, no interest, financing without collateral or collateral, and a 3% profit-sharing margin.

Keywords

Management, Empowerment, Micro Waqf Bank