

PRESS RELEASE

RI PRESIDENT LAUNCHES ZAKAT PAYMENTS VIA BRANCHLESS BANKING AGENTS

Jakarta, June 14, 2017 – The President of the Republic of Indonesia (RI) Joko Widodo officially launched *zakat* (alms) payments through *Laku Pandai* (branchless banking services towards financial inclusion) agents at the State Palace, on Wednesday (Jun. 14), at the same time when he paid *zakat* to the National Alms Agency (BAZNAS). The event was attended by RI Vice President, Chairman of Financial Services Authority's (OJK) Board of Commissioners, BAZNAS Chairman, and ministers of the Working Cabinet, including leaders of various agencies.

Zakat distribution through *Laku Pandai* agents signifies an implementation of Presidential Regulation No. 82 of 2016 on the National Strategy on Financial Inclusion (SNKI) that promotes achievement of the financial inclusion target of 75 percent by 2019.

Employing *Laku Pandai* agents is one way to facilitate *zakat* payers (*muzakis*) making *zakat* payments and help distribute the *zakat* to its recipients (*mustahiks*).

“Paying *zakat* through *Laku Pandai* agents is expected to be one of the common solutions for optimizing *zakat* collection and distribution, in order to support efforts made towards income equality and poverty alleviation in Indonesia,” Chairman of OJK's Board of Commissioners Muliaman D Hadad said.

Muliaman explained that *zakat* was linked to financial inclusion as it had a critical role in alleviating poverty. *Zakat* played an important role in creating wider financial access and alleviating poverty, thus it was categorized as one of the most vital redistribution instruments.

Earlier, the OJK and the BAZNAS signed a memorandum of understanding and a cooperation agreement on “Synergy between *Zakat* Inclusion and Financial Literacy and Inclusion Programs,” as one of the *zakat* development measures in Indonesia, a critical step in relation to efforts to expand *zakat* programs widely, so they will be easier to access and the public can pay their *zakat* through available financial services.

Since its launch in 2015 until March 2017, there had been 328,466 *Laku Pandai* agents and 5,119,595 accounts with total deposit funds worth IDR 2.1 billion. In terms of operation, there are 19 commercial banks and two Sharia commercial banks that offer *Laku Pandai* services across 508 regencies/cities in 34 provinces.

On that occasion, before the President, the OJK presented representatives of *Laku Pandai* agents from eight banks, including Bank Rakyat Indonesia (BRI), Bank Negara Indonesia (BNI), Mandiri Bank, BRI Syariah, Bank Tabungan Negara (BTN), Bank Jabar Banten (BJB), Bank Tabungan Pensiunan Nasional (BTPN) and BTPN Syariah. These agents came from various areas, including Jayapura (Papua); Penajam (East Kalimantan); North Lombok (West Nusa Tenggara); Sampang

(Madura); Blora (Central Java); Ciranjang (Cianjur, West Java); BTPN and BTPN Syariah Ciranjang (Cianjur, West Java). All of the agents perform direct transactions with *muzakis* who want to pay *zakat* through those banks.

For more information:

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