



TOWARDS AN INTEGRATED WAQF (ENDOWMENT) MODEL

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Abstract

Waqf (endowment) is widely accepted by many Muslim countries as an important mechanism to help in the infrastructure of the social development. It has been proven that Waqf able to push for the development in various sectors including education, healthcare, infrastructure and microbusinesses. However, Waqf is yet to achieve its full potential especially with the lack of use of technology and awareness amongst Muslim countries. Common misconception of Waqf has led to the underdeveloped of Waqf system in many rich Muslim countries. With the use of technology and rich awareness of Waqf would help to create a more established and integrated Waqf model. This study has proposed an integrated Waqf model by looking into the practice of Waqf in other countries as well as by embracing the power of technology to help the Waqf to reach its desired potential.

Keywords: Waqf, Endowment, Integrated Model, Social Finance, Islamic Finance

INTRODUCTION

Waqf literally means to stop, contain, or to preserve. Technically, Waqf is an endowment made by a Muslim to a religious, educational, or charitable cause. In Sharia, Waqf is a voluntary, permanent, irrevocable dedication of a portion of one's wealth – in cash or kind – to Allah. It means Waqf cannot be inherited or sold because it belongs to Allah but its benefit can be consumed by the society.

Brunei is well-endowed with natural resources since the discovery of oil in 1929 (Bachamiya, 2006). With the abundance of natural resources, the people of Brunei have received various benefits from the government to ensure the well-being of its people. The government has gratified its people with free education and healthcare as well as subsidised housing scheme and with many other subsidies. With the huge reliance on oil and gas to lavish its people with various benefits and to strive for a better economy, the government has struggled with the active fluctuation of global oil and gas prices. A prudent approach is slowly taking into place where various benefits have been diluted especially with the replacement of pension scheme with defined contribution scheme which was introduced in 1994. Prudent spending approach has begun to dictate the direction of the implemented policy, these steps were taken to help accommodate with the fluctuation of oil prices especially with the sudden drop in oil prices in recent years ("\$5.3B Budget Proposed for 2018/2019", 2019).

It can be clearly understood the immense pressure for the government to sustain the benefits gratified to its people and concurrently to thrive for a more dynamic economy. One should imagine the over-simplified economic infrastructure of Brunei, the economy is highly dependent on oil and gas, one of the initiatives to move away from this dependency taken by the government is through diversification of the economy (Norjidi, 2019). Despite the government understand the importance of diversification yet this initiative still strongly depends on the government funding which eventually slows down the diversification impact on the economy. No one could deny diversification initiatives require huge investment. In fact, to ensure the sustainability of diversification project would incur high maintenance and operational cost.

Clearly, the government is locked in a difficult position to sustain the benefits it has provided for its people while looking for ways to be one of the top economies in the world especially with the fluctuation of oil prices. This strongly indicates the necessity for the government to find other sustainable funding which have minimal reliance on the government. One of the potential funding the government may look into is Waqf (Azrai Azaimi Ambrose et.al, 2018) undeniably Waqf infrastructure varies between countries. With difference in form of Waqf system adopted by these countries has led to different impact and role of Waqf plays in each country.

The system of Waqf can be easily simplified to be consist of the beneficiaries, the donor and the vehicle (infrastructure). The main backbone in shaping the profiles of the beneficiaries and the donor is the infrastructure of the Waqf system. Innovation has taken into effect in most Waqf infrastructure to accommodate the needs of the beneficiaries and the profiles of the donor.

Countries which are well-aware and equipped with the rise of technology and understand the fast pace of the economy would benefit the most from Waqf.

Brunei has made a pledge to achieve its vision 2035, this vision will help to see its nation achieve high quality of life, highly skilled and educated people and a dynamic and sustainable economy. This pledge has influenced government policies and initiatives, any projects in the pipeline shall be assessed on its role to push the country in achieving its vision, so clearly the government is very committed to see its vision to be realised as projected. However, in order for this to be achieved, investment is essential. Huge investment must be pumped into the economy to push for more rigorous economic activities as well as for other development in infrastructure, healthcare, education and other relevant sectors. The amount of investment required to see Brunei able to accelerate at a faster pace can be considered colossal.

With huge investment required to realise the acceleration in economic growth would urge the government to come up with a strategy to finance all the projects and initiatives, with huge dependent on oil and gas to fund majority of the government project this should raise an alarm to the government on how sustainable it is to fully rely on government sole income and not to look for other alternatives especially involving the public as part in funding the projects. Although some countries are implementing the taxation system in raising its national income, Brunei can utilise Islamic social finance approach especially through empowerment of Waqf.

Definition of Waqf

Waqf has established since the beginning of Islam. It encourages Muslims to do charity as well as in helping to boost the economy. Although the word Waqf is not stated in the Quran directly, but Allah has stated in Quran “Allah has promised multiple rewards for those who generously spend wealth in His path.” (al-Baqarah [2]: 245). It is proven that large investments like Waqf succeeded in transforming the society and empowering the poor segments of it. Education, offered almost only by Waqf, enable the poor to move up the economic ladder and obtain high levels of economic and political power.

An important characteristic of Waqf is the idea of *birr* (doing charity out of goodness). The scope of Waqf should include the provision of religious services, socio-economic relief to the needy segment, the poor, education, environmental, scientific, and other purposes. Many scholars term the ownership of Waqf assets/properties “as if it were owned by God.” However, the founders are given the rights to determine which property to be Waqf and to whom. According to Salarzahi et.al (2016) Waqf can be divided into three religious Waqf, philanthropic Waqf and family Waqf.

Kahf (2003) reported that in 1800s, Waqf lands covered substantial proportion of land area in Egypt, Algeria, Turkey and Palestine. It also stated that most of Waqf revenues were spent on mosques, payment for the salaries of imams, teachers and preachers, and payment for the expenses on maintenance of the mosques. According to history, Ibn Umar reported: Umar acquired a land at Khaibar. He came to Prophet Muhammad (may peace be upon him) and sought his advice in regard to it. He said: Allah's Messenger, I have acquired land in Khaibar. I have never acquired property more valuable for me than this, so what do you command me to do with it? Thereupon he (Prophet Muhammad) said: If you like, you may keep the corpus intact and give its produce as sadaqah. So 'Umar gave it as sadaqah declaring that property must not be sold or inherited or given away as gift. And Umar devoted it to the poor, to the nearest kin, and to the emancipation of slaves, aired in the way of Allah and guests (Sahih Muslim, Book 13, Hadith no:4006)

Waqf on education

According to Kahf (2003), at the beginning of 20th century, all schools in Jerusalem are Waqf entities. The Waqf fund can be utilised to establish training and business support centres, the minimal fee charged to recipients can be used to hire trainers. Participants who have completed from the training programme may volunteer as a trainer which will help to cut the recurring cost of hiring other external trainers.

Fatoni University is one of the first private university in Thailand. It has been established by the Muslim scholars and experts in Islamic education in the region. The building of Fatoni University which located in the Pattani province bordering Yala was set up through endowments from the Muslim community around the world, especially from those in the Middle East such as Saudi Arabia, Kuwait, Qatar and UAE (United Arab Emirates). For instance, in Malaysia several higher education institutions were established through Waqf funding including Kolej Universiti Islam Selangor (KUIS), University Islam Malaysia, Terengganu Culinary Institute and University College Bestari.

In order to ensure sustainability and sufficient financial resources of KUIS as well as to achieve its vision as Waqf university - Zakat, Wakaf & Infaq Division was established. Through this division various initiatives have been introduced to encourage Waqf activities within the campus. These initiatives have produced significant impact where the public and the staff have shown strong support to participate in contributing to Waqf fund. Salary deduction scheme was also introduced amongst the KUIS staff and this has pushed the collected amount from RM 78,281 in 2014 to RM 314,350.20 in September 2017.

According to Mahamood & Ab Rahman (2015) one of the most prominent Waqf educational institution is based in Egypt, University Al-Azhar was established back in 1249 CE, all students admitted into the university are entitled to free education while the lecturer and staff are provided with accommodation, stipends, allowances and salaries and all are funded by Waqf fund. Waqf fund under the University of Al-Azhar has reached to a point where even the Government used to seek financial support from the Waqf fund to finance the country. Besides al-Azhar, there are many other examples of universities in other countries that benefit from the Waqf assets, such as the University of Al-Qurawiyin in Fez, Morocco; the University of Al-Muntasiriyyah, Iraq; the University of Cordova, Spain; the King Abdul Aziz University, UAE; and the Islamic University of Indonesia (UII)). One of examples in Waqf education institution in Indonesia is Pondok Modern Gontor Darussalam (PMGD), this education institution has reached is sustainability in its operation and has expanded to more than 20 branches with 21,892 students. In fact, PMGD graduates have contributed back by serving as an academic in the institution as well as serving the community at large (Imam Bahroni, 2012).

Waqf on Healthcare

Health services provision to the poor through chain clinics such as An-Nur Waqf Clinic which has been operating since June 2007 became one of the most outstanding contributions of WANCorp through corporate Waqf (*Waqf An-Nur Corporation, 2008*). *Waqf An-Nur Corporation Berhad* (“WANCorp”) is a Limited by Guarantee Company established to manage the assets and shares of *Johor Corporation Group of Companies* endowed for Waqf. At the end of 2011, WANCorp owns and operates 16 branches of An-Nur Waqf Clinic, 4 dialysis centres, and one Waqf hospital managed by KPJ Healthcare Bhd. (*Waqf An-Nur Corporation, 2011*). The main objective of this initiative is to provide healthcare and dialysis services to the less fortunate segment of the society. An-Nur Waqf Clinics had treated more than 765,000 since its operation in 2011, with only a nominal charge of RM5 for each treatment. In addition to using its own resources, WANCorp also received cash donations and in kinds donations, such as medicine, dialysis machines, and medical equipment from the community members and also corporate donors. An example of charity activity based on sources of benefices the Hamdard foundation based on herbal medicine in Karachi using the capacity of aid and people’s benefices. Besides that, The Sishli Children Hospital in Istanbul which was established in 1898 is an example of hospital that is operating under Waqf budget.

Waqf on Micro-Finance

Another important initiative is to provide micro-financing to beneficiaries especially to see them becoming more productive and able to contribute back to the economy. Despite the belief on the importance of microfinance has prevailed, yet the implementation of such amongst the poor is still lacking especially through Islamic social finance. It can be easily inferred why some Waqf councils reluctant to provide micro financing, however with proper monitoring and coaching the beneficiaries especially among the poor will benefit the most. According to Mosley and Hulme (1996) an institution can either focus on extreme-poor or moderate-poor in providing micro-credit but the latter would produce greater impact and similarly it is more expensive to lend smaller amount to more people than lend bigger amount to few people.

One of prominent success stories of micro-financing was initiated by Grameen Bank in Bangladesh, where majority of the recipients are women and has high repayment rate (Karim, 2008). Based on this initiative, one can realise how important microcredit is to empower the poor or underprivileged people. However, as mentioned earlier most financial institutions are reluctant to provide microcredit due to high risk and cost of doing so but this should not impede the access to microcredit especially amongst the poor, therefore strategies must be in place to make sure microcredit fund is not limited. One possible way to achieve this is through the empowerment of wakaf fund that specifically allocated for microcredit, in fact according to Cizakca (1995) some of the Muslims give out specific funds in cash as loans to those underprivileged group.

Wancorp has introduced Dana Niaga (Micro-credit) for its intended beneficiaries to empower them financially through this initiative the beneficiaries may start their business and able to earn independent income stream. This initiative is crucial in pushing the beneficiaries to be more productive and not to fully rely on welfare assistance, although providing small loans to underprivileged individuals may pose high risks to lenders yet the potential impact is very high so long the beneficiaries are fully committed in running the business. At the end of 2011, WANCorp has disbursed a total of RM393,600 microcredit loans given to 250 micro-entrepreneurs (Waqf An-Nur Corporation,2011).

Islamic banks can create Waqf using fund from income they cannot use such as penalty charges (Habib,2007). If this is widely practised by many Islamic banks people can easily access to microfinance with less risk to the provider. In fact Islamic financial institution can utilize various Islamic contract with synergy of Waqf to provide microfinance to micro enterprises especially for the poor (Muhammad, 2011). Tohrin (2010) also shared the role of cash Waqf in providing microfinance, cash Waqf play significant role especially in giving more access for poor people as well as to help push for economic development and fight poverty. Similarly Thaker

et.al (2013) also proposed Integrated Cash Waqf Micro Enterprise Investment (ICWME-I) model as a solution for micro enterprises to overcome their constraints of getting access to finance. The success of microenterprises highly depends on accessibility to financing which eventually helps to alleviate poverty since micro enterprises usually are owned by poor people. Banks in countries like Egypt, Jordan, Pakistan and Malaysia also offered loans on the basis of Qard-al Hassan to help the recipients to be independent and productive, this noble intention of Qard-al Hassan can clearly be commonly practised through Waqf fund. Rashidah & Faisal (2013) highlight that provision of education and training, better coordination and networking and technical assistance through Waqf and Zakat funds is necessary for the effectiveness and sustainability of Islamic Microfinance.

Waqf on Infrastructure

Infrastructure plays an important part in driving the economy forward, with the presence of strong infrastructure in a country will help the citizens in getting access to better quality of life. Better infrastructure means better access to roads, healthcare, public library, airport, learning centre among many others. According to study done by Sahoo and Dash (2009)), it shows that infrastructure significantly helps in improving the economy. However, to establish a better and sophisticated infrastructure one would need huge capital which most governments are struggle to find investors since most investors are simply looking for maximising profit without considering its social impact, hence any infrastructure which is more incline towards philanthropic are more likely to be ignored by potential investors leaving the main objective of infrastructure untouched.

Therefore, Waqf plays an important role in providing financial access to the government in building its infrastructure with less pressure in solely thinking of the financial impact of the infrastructure. Some infrastructure is more philanthropic in nature and would leave a higher social impact than economic impact, with the presence of financial access through Waqf would definitely help the government to focus more on establishing infrastructure that leaves higher social impact to the public. With more access to Waqf fund infrastructure like public hospital, public library, road, public schools, bridges, learning centre, museum and other public utilities can easily be constructed without putting high pressure to the government in raising the profit from these infrastructures.

Although infrastructure can help the public in getting access to better services which enhance their quality of life ((Deller et al., 2001)), Waqf fund can also help to establish infrastructure like residential, commercial properties and other generating income properties that can help the institution to earn sustainable and sufficient income. For instance, the Waqf

institution in Singapore has established residential buildings in a vacant land in Duku road back in 1990, this project had helped the Waqf institution to generate a higher annual income from just merely S\$68 to S\$36000, this huge jump in income generating activities will be channeled to institution like mosque, schools or any other public institution to cover the maintenance cost. A year later Waqf institution in Singapore involved in a bigger project by transforming an old mosque and old commercial buildings to higher income generating properties. The success of this project also relied on the involvement of Warees Pte Ltd a company which has extensive experience in managing Waqf fund, initially MUIS had difficulties in managing and running this project prior to involvement of Warees PTE Ltd (Abdul Karim, 2010) hence this also signifies the importance of engaging experts in running and managing any Waqf projects.

Waqf An-Nur Corporation Berhad (WANCorp) of Johor Malaysia has also taken an innovative step using Waqf share to upgrade the existing bus terminal as well as to establish commercial stores within the proximity of the terminal, the project cost around RM85 million which funded by Waqf fund. The revenue from this infrastructure is utilised for maintenance, as well as to compensate a minimal rental fee charged upon the selected underprivileged tenant of shop lots. It can be learned that Waqf fund can be utilised to generate infrastructure that not only add values to public transportation but also push for economic growth through entrepreneurship.

History has proved Waqf fund able to finance the construction of various infrastructure such as residential housing, bridges, water dam, orphanage centre, thousands of schools and mosques and even hotels to generate income. In some countries where thousands of mosques were built upon the Waqf fund are also act a cultural and learning centre which maximise the role of the mosque itself having to implement multiple role of mosque would certainly help to extent the benefit received by the beneficiaries, if thousands of mosques were built and their role is solely for religious activity this would definitely So Waqf has high potential in developing the nation's infrastructure that produce social benefit as well as generating income to finance many other Waqf projects and intended beneficiaries (Alias, 2012)

In Brunei Darussalam, Brunei Islamic Religious Council is liable to look after Waqf asset and appointed as a sole administrator of Waqf affairs. Under the council, one department has been established solely to look after baitul mal and Waqf assets. Generally there are two type of Waqf assets; registered and unregistered Waqf asset. Registered Waqf assets are those administered by the Department of Baitul Mal and Waqf, majority of the registered assets are immovable physical assets. Registered Waqf assets are also categorised into two types specified Waqf asset and non-specified Waqf. Specified Waqf usually pertaining to the development of mosque, graveyard and towards religious development. Clearly, the approach

on the development of registered Waqf assets is more traditional and cemetery as well as on the development of infrastructure pertaining to religious matters.

Restricting the scope of Waqf's contribution on the religious aspect has impaired the potential of Waqf in pushing the development of socio-economic matters. Since registered Waqf assets are more specified and majority in the form of lands - too many issues confining the Waqf assets since it involve more stringent procedures upon transfer to the authority. With issues surrounding the registered Waqf assets this may slow down the process to see the potential impact of Waqf in Brunei, issues may arise from legal aspect to technical aspects of developing the Waqf assets. Registered Waqf assets are very static and this really dampens the growth of the Waqf asset in achieving its intended objectives. Some cases of registered Waqf assets failed to be developed because of technical and structural aspect of the asset itself which lead to inability for the land to be developed as specified by the donor. Hence, the land would be abandoned and cannot be further developed since the purpose of the Waqf asset has been specified upon transfer.

Clearly, registered Waqf assets are underutilised especially from the perspective of socio-economic development in Brunei, with various issues confining the development of registered Waqf asset, strategies need to be in place in order to develop the role of Waqf. The common perception of Waqf among the society in Brunei is more inclined towards physical and immovable assets such as land and buildings. In fact most registered Waqf assets are specified for religious purpose such as mosque and cemetery. This prevailed perception amongst the public has decelerated the growth of Waqf assets especially in pushing towards socio-economic growth. With this perception has taken its toll on the Waqf assets development in Brunei, action need to be done to tackle this problem especially with regards to change the perception amongst the public.

According to the study done by (Ismail et al., 2015)), other issues have also dampened the growth of Waqf assets such as administration and management. With regards to the administration of the Waqf institution, clearly lack of expertise has also impeded the possible innovation in Waqf asset development. Various other countries have utilised Waqf to an extent that Waqf has become a significant socio-economic tool, in fact history has proven that Waqf had shaped the socio-economic development where an individual would have been born into a Waqf house, eaten and drunk from Waqf properties, read books sourced from Waqf, went to Waqf school, received salary from a Waqf administration, and placed in a Waqf coffin and buried in a Waqf cemetery when he died (Ibrahim, Amir and Masron, 2013). If history had proved that Waqf was the main socio-economic tool, this indicates a worrying concern on the role of Waqf in our today's socio-economic development, the diminishing role of Waqf could

either be rooted down from failure of the society to shape Waqf as the main tool or Waqf itself has now been considered to be irrelevant. Clearly the former is more admissible as the reason to explain the diminishing role of Waqf in pushing our socio-economic growth. In order to fully realise the potential of Waqf in pushing the socio-economic growth, innovation must be embraced to shape the role of Waqf. Technology has influenced the way we live today especially in the fourth industrial revolution where things are interconnected and our lives are hugely impacted by technology.

Transactions are mostly done via online and fintech has also taking its toll in shaping the way banking and trading works today, Waqf authorities must embrace this rapid change to stay ahead and to fully benefit from these changes. In fact, the form of asset or wealth that was easily accessible back then is no longer common in today's society, for example land was frequently donated as Waqf but nowadays land has become so limited that even society nowadays struggle to own a land let alone donating one as Waqf (Saifuddin et.al, 2014). If Waqf authorities still rely on the traditional approach where majority of its assets are resourced from physical asset like land and buildings this will surely curtail the real potential of Waqf. Clearly, new strategies must be in place to find ways in maximising the potential role of Waqf in pushing our socio-economic growth. With more friendly and innovative options for people to be part of the Waqf will help to realise this vision where Waqf can be an important tool to push for socio-economic growth.

RESEARCH METHOD

The main objective of this study is to propose an integrated and more systematic Waqf model to boost the role and potential of Waqf in the society. In order for this study to propose a model, comparative analysis was done in this study looking into various efforts implemented by other Muslim countries in shaping their Waqf system and looked into the issues and challenges of the Waqf system in Brunei. This study heavily relies on desktop research analyzing previous studies, news articles, government publications and websites. Based on the synthesised input from the published articles and institutional websites, this study able to create a foundation to propose an integrated Waqf model which embrace other Islamic social finance mechanism. In reference to the objectives of this research, desktop research is deemed sufficient.

FINDINGS

Based on the analysis of projects and initiatives instituted by Muslim countries like Malaysia, and Bangladesh one can clearly see that Waqf has been institutionalised effectively. It is important for Muslim countries to fully embrace and develop Waqf in accordance to the

dynamism of the needs and demand of the people. Waqf should be dynamic in order for its role to remain significant although this does not mean the fundamentals are undermined. If Waqf manager failed to vitalize the role of Waqf system then it will remain stagnant and neglected by the Muslim population. History has proven Islamic social finance such as Zakat and Waqf able to create socio-economic empowerment amongst the people in the community.

It can be clearly learned that Waqf has been treated as significant mechanism in driving the country socio-economic development. In Thailand, higher education institutions able to educate thousands of Thai-Muslim funded by Waqf donors from all over the world, in fact with the development of the institution in the past years have proven that Waqf is very sustainable and reliable source of fund. No one can deny how expensive it is to maintain and run higher education institution, with the growth of the university without relying on the government funding and solely depends on Waqf funding has shown that Waqf is so important.

With strong support from established corporation in embracing Waqf is also fundamental in seeing the success of Waqf, for instance Johor Corporation Malaysia has dedicated itself in revitalising the role of Waqf in pushing for socio-economic growth. Johor Corp has allocated portion of its share as Waqf and managed by Wancorp. A lot of initiatives have been carried out by Wancorp and all these initiatives reflect the innovative and dynamism of the institution in providing various benefits to the community depending on the needs. It can be clearly learned the role of Waqf carried out by Wancorp has made traditional role of Waqf seems obsolete. Traditional Waqf of physical immovable asset like land usually struggle from many constraints. High number of Waqf lands remain idle due to the fact of very stringent condition set by the donor, if such cases persist the role of Waqf in the socio-economic development would diminish unless Waqf institution can come up with a more dynamic and innovative solution. As what has been effectively practised by Wancorp in creating a more innovative and dynamic form of Waqf assistance which in line with the current demand, the success in most of the project is leveraged on the due diligence of the Waqf manager. This also indicates the importance of having pool of human resources which can perform their job effectively and efficiently.

Land was used to be one of common assets donated. However, some of the donated lands remain idle as they cannot be developed to function as what they were intended to be. Since Waqf institutions have to strongly adhere to the prescription of the donor hence even if the land does not fulfill the technical requirement for it to be developed hence the land would just be left idle. To some extent, some of these lands were left stranded for years and failed to provide any benefits to the intended beneficiaries and hence this would nullify the whole objectives of Waqf. Facing too much constraint in developing the Waqf land has impede the potential of Waqf in pushing for socio-economic development. As the accessibility to land

ownership has become more challenging making it very difficult for the younger generation to play part in the current Waqf system even in Brunei. With the rising popularity of cash Waqf yet some countries are still lagging behind in embracing the benefit of cash Waqf.

The introduction of cash Waqf has signified the role of the Waqf system in pushing for socio-economic development. With more accessibility to cash the participation amongst the people in Waqf would be more encouraging and can help the Waqf system to play a more significant role in the economy. If more people contribute to Waqf, more benefits could be extracted by the intended beneficiaries, countries who have not fully embraced cash Waqf may missing out on how projects could be established with the proper management and utilisation of cash Waqf. Countries like Malaysia and Singapore has fully embraced the power of cash Waqf, where many projects were initiated by cash Waqf. In fact banks in Bangladesh has taken a more innovative approach by offering Waqf cash account where by it allows people to constantly make donations to Waqf institutions. Through this initiative, the donor can deposit fixed amount of cash every month and banks act as an agent to manage the collected fund to ensure the benefit is maximised for the intended beneficiaries. Clearly cash Waqf is very beneficial especially with regards to the amount of participation from the public, through aggregation of cash Waqf more projects can be established as access to funding is easier, Waqf institutions can come up with various projects including establishing income generating assets. Through cash Waqf, fixed assets can be established which eventually attain the main purpose of Waqf to create perpetual benefit for beneficiaries.

Although the significance of cash Waqf cannot be denied yet proper and effective management of the Waqf fund is essential to realised the desired outcome. In order for Waqf institutions to push the role and potential of Waqf in the economy, they need to hire experts in relevant fields. As one of the key loopholes faced by Waqf institutions is lack of expertise, Waqf institution should have strategies in place to ensure expertise are involved in making decision. Expertise should be hired in all relevant sector within the Waqf institution. To some extent it would be more efficient for the Waqf institution to be privatised to ensure the Waqf assets are empowered and able to produce much better benefit for intended beneficiaries. Ignoring the importance of making the right decision as well as the importance of empowering the Waqf assets will surely deprived the potential benefits the community should have gained. For instance in Singapore, ever since the management of the Waqf assets has been privatised, aggressive improvement is witnessed especially in terms of the amount income the asset have generated (Sanusi and Shafiai, 2015). This is a strong evidence to show how important it is for Waqf institutions to hire experts in making well-informed decisions. It is very crucial for Waqf

institution to instill trust in donors by making sure all the Waqf assets able to produce maximum benefits to its beneficiaries and such can only be achieved through well-thought decision.

PROPOSED INTEGRATED MODEL

Based on the findings above, this study realised the need of an integrated platform that can help to boost the role of Waqf and such can be achieved through the full use of technology. To fully reap the benefit of Waqf, Waqf cannot stand alone but needs to fully integrate with other social empowerment mechanism. With more participation from the public, the benefit created through any project can be easily realised. Only through strong and intensive collaboration can help Waqf institution to maximise the role of the public and fully embrace the power of unity among the society. One of the most prevailing misconception is one can only provide a helping hand when they are in a strong financial position but yet with the existence of an integrated model once can provide help even without having to fork out a single dollar. This proposed model would also help individuals to donate underutilised assets for the benefits of intended beneficiaries.

Many cases where individuals have underutilised assets which need to be repaired or further attention before it can be fully operational. If all underutilised which are remain idle were to be gathered, made fully operational and donated to intended beneficiaries, the role of Waqf in the economy shall be fully maximised. However, for this to be realised more efforts need to be placed especially in making sure the underutilised assets can be made fully operational. Gathering all the underutilised assets would be less difficult as compared making sure all of them operational, hence the Waqf institutions would need high number of technical experts. However to ensure such project is sustainable and cost efficient, Waqf institutions have to make sure easy access to technical experts. Technical experts can be gathered from various sources including graduates from technical schools, freelance and hiring experts from technical companies. With more options available for the Waqf institutions to reach the required experts to deal with the underutilised assets would help the institutions to cut down the expenses and hence making this project achievable. Surely with the use of technology such platform can be created with high participation from the public in making any projects achievable, such participation can be in various forms including finance, expertise and volunteers. Hence with this model, everyone in the community can contribute to each other regardless of one's financial status.

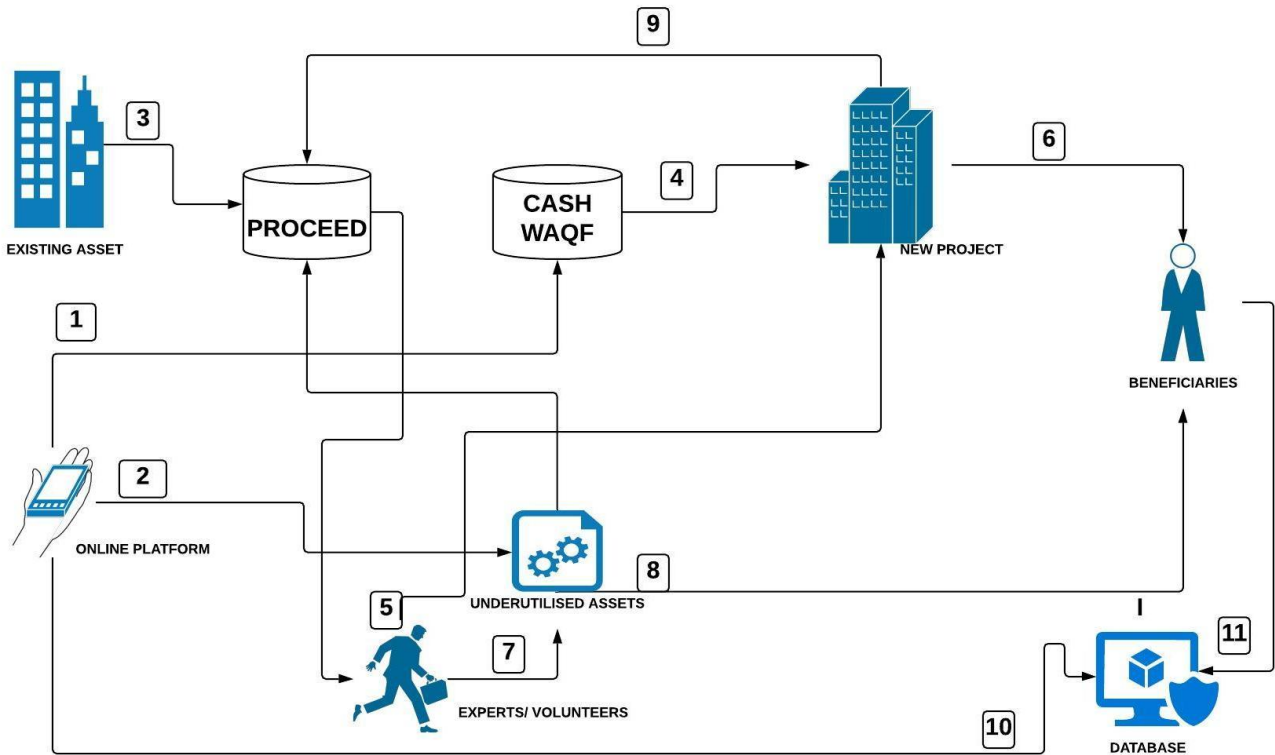


Figure 1: Proposed Integrated Waqf Model

Referring to figure 1 above, this proposed platform strongly relies on technology infrastructure - sophisticated, advanced and reliable infrastructure. This proposed model aims to empower the role of Waqf in the economy, proposed components in this model that can be implemented in the platform listed in the Table 1 below:

Table 1: Process of proposed Integrated Waqf Model

STEP DETAILS	
1	Registered donors contribute cash to finance a project. For example, if a new proposed school requires \$500,000 for it to be completed, then the school/manager will release a certificate to be purchased by Donors to be part of the Waqf project. If each certificate worth \$1 and hence the project would need 500,000 certificates for the project to be completed
2	Anyone can register as donors, volunteers, jobseekers, freelancers and experts. This system will pool all verified data especially with regards to their qualification, skills and interest. This will help the proposed model to host all resources to empower the Waqf system. Registered donors may also contribute underutilized assets. Here, underutilized asset can be defined as those which needs further attention for it to be fully functional which include repair and refurbishment

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- 3 Generating income Waqf assets – generated income shall be utilized for the benefits of intended beneficiaries depending on the requirements of the Waqf assets as specified by the donor. In fact, in some cases the proceed may be used to cater the management and administration cost in running the project for the benefits of intended beneficiaries.
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- 4 All the contributions generated by the donors are utilized to in completing the specified project.
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- 5 Manpower may be required for the Waqf asset to be functional. For instance, school may need professional teachers to fully function, professional teachers may consist of hired professional or volunteers. All hired professionals including volunteers. Registered users can be identified by the system in accordance to the needs of the project.
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- 6 Fully functional Waqf asset can be utilized by intended beneficiaries in accordance to the requisite stated by the Donor.
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- 7 In order for the donated underutilized assets to be fully functional, technicians may be required to fix the donated assets. Technicians may either be hired or can be in the form of volunteers. All hired Technicians and Volunteers shall be registered into the system with all their expertise recorded in the system, this would allow the system to easily search the database whenever their service is required. Registered technicians can receive notifications for any projects that related to their skills, they can either join the project as volunteers or may require minimal fee for their service.
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- 8 Recovered underutilized assets now can be fully functional and be utilized by intended beneficiaries in accordance to the requisite stated by the Donor.
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- 9 The new completed project can either be directly used by the beneficiaries or completed as an income generating assets which the proceed will be distributed to intended beneficiaries.
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- 10 Individuals who are registered in this database would include those who have experts in various fields as well as those who are willing to volunteer for any projects. Therefore, this database will host all profiles which can easily be identified in accordance to the needs of the beneficiaries. For instance, if there is a natural disaster, then the council can easily identify those volunteers and experts who are willing to help. These individuals would have to notify in the database in which activities they are willing to volunteer as well as their skills and experts. This database will easily help the council to call for help or consultation to complete any project.
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- 11 All potential beneficiaries are registered in the database, beneficiaries are registered either based on the request of the donors or the Waqf institution in accordance to the criteria deemed suitable.
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Clearly, based on the proposed model, Waqf is no longer a stand-alone system but integrates well with other social insurance mechanism. This proposed model shall even be extended to include other informal helping mechanism that are not systematically recorded. With the existence of social media, where people commonly ask for help, sometimes such practice is not sustainable and would be much better if they are systematically managed. Entrepreneurial activities could also be intensified through this proposed model, those investors can either use Islamic finance or Islamic social finance to help those who are seeking for capital especially among the recipients. This system not only help the recipients to get an immediate relief but also sustainable help through productive assistance. Hence, those who are seeking help can be traced in terms of how much help he has received from the public. This system would help the donor to confidently participate in providing help without having any doubt the recipients are receiving double funding, while recipients would also benefit from the system where they can reach to a bigger source since the system is fully integrated.

CONCLUSION

In order for Waqf to reach to its maximum potential, Waqf institutions need to realise the importance of integration and to fully utilize technology. In this modern technology, even younger generation can be part of realising the main objective of Waqf. Undeniably, Waqf aims to benefit the community, if social insurance is well-established, the economy of the country would have positively impacted. The misconception of Waqf, zakat and gifts could only be participated by those who are financially endowed can be solved with the introduction of this proposed model. In fact, beneficiaries can also be the giver instead of just a receiver in this proposed model. Some of the beneficiaries may have expertise and can be registered in the database, they will receive notification if any project requires their expertise. This proposed model would help to signify the role of Waqf and other Islamic social insurance mechanism in the economy. In fact with more participation from the public would help to ease the burden on the government to finance various social expenditure, although common practice in most countries is taxation - with this proposed model, one would see voluntary act in providing help and most importantly this proposed model can provide more transparency and can be intensely scrutinized by the public since the governance is well -managed through the use of advanced technology. In order to see this proposed model to be realised studies on the Islamic rulings are deemed necessary, various countries would have different interpretation on whether any innovation is permissible or complies to Shariah. Therefore, further studies on the assessment whether the proposed model complies to Shariah must also be complemented with benefit of the model from the perspective of maqasid al-shariah (objectives of Shariah).

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