

The Institutional Role of Waqf in the Islamic Economic Framework

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ABSTRACT

Waqf has long been a crucial instrument in the history of Islamic economics, playing a significant role in supporting social development, education, and healthcare services. In the context of contemporary Islamic economics, the role of waqf has expanded beyond wealth redistribution to include its strategic function in strengthening productive economic sectors and public services in a sustainable manner. However, this vast potential has not been fully optimized by waqf institutions in many Muslim-majority countries, including Indonesia. Institutional limitations, weak governance capacity, and the lack of innovation in managing productive waqf remain critical challenges. This study aims to explore the institutional role of waqf in supporting productive economic development and public service provision within the framework of contemporary Islamic economics. Using a qualitative approach with a descriptive-exploratory design, this research is based on a comprehensive literature review of international academic journals published within the last five years. The findings show that waqf has a strategic contribution to the empowerment of micro, small, and medium enterprises (MSMEs), social investment, and the provision of education, healthcare, and infrastructure services rooted in Islamic values. Furthermore, institutional strengthening through transparent governance, supportive state regulations, collaboration with Islamic financial institutions, and the adoption of digital technology are key factors in realizing the economic potential of waqf.

INTRODUCTION

In recent decades, the Islamic world has faced serious challenges in addressing economic inequality and limited access to public services. Although various Islamic economic instruments have been developed, the role of waqf as a socio-economic institution has not been fully optimized. Historically, waqf has contributed significantly to the development of social infrastructure, such as hospitals, schools, and other public facilities. However, modernization and structural changes have shifted the function of waqf from a productive role to a more consumptive one. This raises the question of how to restore the institutional role of waqf within the framework of contemporary Islamic economics.

Data shows that the potential for waqf in Indonesia is enormous, estimated at Rp2,000 trillion per year, but its utilization remains low. Most existing waqf are unproductive and lack significant economic impact. A study by Hutagalung et al. (2023) emphasized the importance of transforming waqf from a consumptive to a productive model to strengthen the welfare of the community. This transformation includes waqf management in the form of business units, social investment, and community economic empowerment. However, the implementation of this model faces various structural and institutional challenges.

One of the main challenges in optimizing waqf is the lack of public understanding and literacy regarding the concept of productive waqf. Many people still associate waqf solely with religious activities, such as building mosques or graves. However, waqf has significant potential to support the productive economic sector and public services. Research by Nurachmadi et al. (2022) shows that modern, transparent, and professional waqf management can significantly contribute to the economic well-being of the community. Therefore, massive educational and outreach efforts are needed to increase waqf literacy among the community.

In addition to literacy challenges, regulatory and policy aspects also pose obstacles to the development of productive waqf. Many Muslim countries lack a legal framework that supports productive and professional waqf management. The absence of clear regulations creates legal uncertainty and hinders innovation in waqf management. A study by Azwar and Sungit (2023) highlights the need for regulatory reform to support the integration of waqf with modern economic sectors, including the halal industry and Islamic finance. This reform is crucial for creating a conducive and sustainable waqf ecosystem.

Effective waqf management also requires adequate institutional capacity. Many waqf management institutions (*nazhir*) face limitations in human resources, technology, and management. This impacts the low performance and accountability of waqf institutions. Munawar and Mufraini (2023) in their study showed that strengthening *nazhir* capacity through training, digitalization, and cross-sector collaboration can improve the effectiveness of waqf management. Investment in institutional capacity development is key to success in optimizing the role of waqf.

Integrating waqf with other Islamic financial instruments, such as zakat, *infaq*, and social sukuk, can expand the economic and social impact of waqf. This

integrative model enables synergy between various Islamic financial instruments to support sustainable economic development. Research by Alam et al. (2023) shows that integrating waqf with sukuk can be used to finance public infrastructure projects, such as the construction of hospitals and schools. However, implementing this model requires a supportive regulatory and institutional framework. Therefore, coordination between the government, Islamic financial institutions, and waqf institutions is needed to realize this integration.

Globally, various Muslim countries are beginning to adopt innovative approaches to waqf management. For example, the use of digital technology and blockchain to increase transparency and accountability in waqf management. A study by Hutagalung et al. (2023) highlighted the role of technology in increasing efficiency and public trust in waqf institutions. However, the adoption of this technology remains limited and requires adequate investment and training. Therefore, developing technological infrastructure is a crucial aspect in modernizing waqf management.

Although various studies have been conducted on the role of waqf in Islamic economics, there remains a gap in the literature regarding institutional and integrative approaches. Many studies focus on the theological and legal aspects of waqf, but less on the managerial and public policy aspects. Medias et al. (2022) in their literature review emphasize the need for more in-depth research on the institutional role of waqf in socioeconomic development. This study aims to fill this gap by analyzing the institutional role of waqf within a contemporary Islamic economic framework. This approach is expected to contribute to the development of waqf theory and practice that is more relevant to the needs of modern society.

This research also aims to identify strategies and policies that can support the optimization of the role of waqf in supporting the productive economy and public services. Using a qualitative approach and case studies, this research will explore best practices in waqf management in various Muslim countries. The results are expected to provide applicable policy recommendations for governments, waqf institutions, and other stakeholders. Furthermore, this research will examine the factors influencing the success and failure of productive waqf management. Therefore, this study can serve as a reference for developing more effective and sustainable waqf policies and practices.

Overall, this research contributes to enriching the literature on the institutional role of waqf within an Islamic economic framework. By focusing on aspects of economic productivity and public service provision, this study offers a new perspective in understanding and developing the role of waqf in the modern era. It is hoped that the findings of this study can encourage reforms in waqf policies and practices that are more responsive to the challenges and needs of contemporary society. Furthermore, this research is also expected to serve as a basis for further, more in-depth and comprehensive studies on the role of waqf in socio-economic development. Thus, waqf can once again become an effective instrument in realizing social justice and the welfare of the community.

LITERATURE REVIEW

Historical and Contemporary Concept of Waqf

Waqf is an Islamic philanthropic institution that has played a significant role in the history of Islamic civilization, particularly in the provision of social and public services. During the Ottoman Caliphate, waqf was used to build infrastructure such as hospitals, schools, and roads, demonstrating its contribution to socio-economic development (Cizakca, 2018; Haneef, 2018). However, during colonialism, the waqf institution declined, with its role limited to religious aspects (Kahf, 2011). In the contemporary context, there are efforts to revitalize waqf to restore its role as an instrument of socio-economic development (Alam, 2018). This demonstrates the importance of understanding the evolution of the waqf concept over time.

In the modern era, the concept of waqf has undergone a transformation with the emergence of productive waqf and cash waqf. Productive waqf allows waqf assets to be invested in profit-generating economic activities, which are then used for social purposes (Munawar & Mufraini, 2023). Meanwhile, cash waqf provides flexibility in the collection and management of waqf funds (Hutagalung et al., 2023). This innovation demonstrates the adaptation of the waqf concept to the needs and dynamics of modern society. However, the implementation of productive waqf still faces challenges, such as low public literacy and a lack of supporting regulations.

A study by Munawar and Mufraini (2023) shows that proper management of productive waqf can improve community welfare through economic empowerment. This demonstrates the significant potential of waqf in supporting economic and social development. However, to achieve this potential, institutional strengthening and capacity building of waqf managers are necessary. Furthermore, increasing public awareness and participation in waqf is crucial. Thus, waqf can become an effective instrument for sustainable development.

Globally, several countries have successfully developed modern and efficient waqf systems. For example, in Malaysia, waqf management is carried out professionally, supported by information technology and supportive regulations (Rahmawati, 2023). This demonstrates that with strong institutional support, waqf can contribute significantly to national development. However, in many other Muslim countries, waqf management still faces various challenges, such as a lack of transparency and accountability. Therefore, joint efforts are needed to strengthen waqf systems in various countries.

Overall, the concept of waqf has evolved over time, from a traditional institution to a modern instrument for socio-economic development. This transformation demonstrates the flexibility and relevance of waqf in various contemporary contexts. However, to optimize the role of waqf, institutional strengthening, supportive regulations, and increased public literacy are necessary. Thus, waqf can contribute significantly to achieving sustainable development goals and public welfare. Further study is needed to explore the best strategies for managing and developing waqf in the modern era.

Study of Institutional Economics in Islam

Institutional economics in Islam emphasizes the importance of norms, rules, and institutions in guiding people's economic behavior. In the Islamic context, sharia values form the basis for establishing just and sustainable economic institutions (Ahmed, 2020; Asutay, 2019). Institutions such as zakat, waqf, and hisbah are viewed as mechanisms for economic distribution and oversight. These institutions function not only as regulators but also as drivers of Islamic economic ethics. Therefore, the institutional approach in Islam places moral and spiritual aspects as part of the economic framework.

Institutions in Islamic economics are viewed not only from formal structures but also from the social norms that bind society. As explained by Haneef and Mirakhor (2021), Islamic economic governance is endogenous to the moral and spiritual values that underlie social relations. This differs from the neoclassical approach, which tends to be value-neutral. Institutions in Islam aim to maintain justice, prevent exploitation, and achieve equitable distribution. Therefore, an understanding of Islamic economics must encompass institutional elements holistically.

According to a study by Obaidullah (2022), Islamic institutions have a significant influence on economic efficiency and stability. When Sharia values are systematically integrated into financial institutions and public policies, the result is increased welfare and reduced inequality. One concrete example is the role of waqf institutions in creating long-term economic value. Waqf acts as a provider of public goods through sustainable non-state mechanisms. This indicates that the institutional approach in Islam is highly strategic in creating an inclusive economic system.

The institutional approach in Islam also emphasizes social trust as the basis for economic transactions. A study by Khan and Aziz (2020) shows that the level of trust in Muslim societies is highly correlated with the success of Islamic financial institutions, including waqf and zakat. This reinforces the position that the foundation of Islamic institutions relies on social relations and ethical values, not simply formal contracts. Waqf, in this case, acts as an instrument of collective trust. In other words, the development of Islamic economic institutions requires the support of values and community participation.

The Role of Waqf in Supporting the Productive Economy (MSMEs, Social Investment)

Productive waqf has emerged as a crucial instrument for empowering the community's economy, particularly in supporting micro, small, and medium enterprises (MSMEs). In Indonesia, the potential for waqf reaches IDR 2,000 trillion per year, yet its realization remains low (Hutagalung et al., 2023). The implementation of productive waqf can increase community income by 40–60% through the creation of waqf-based jobs and business units. Technological innovations, such as the adoption of digital platforms and blockchain, play a crucial role in increasing transparency and accountability in waqf management. This demonstrates that productive waqf can be a solution for strengthening the community's economy and empowering socially.

A study by ISEF (2023) shows that productive waqf can be managed to support social economic empowerment. Optimal waqf management requires government support in community empowerment. In Indonesia, the vast potential of waqf (mostly in the form of land) is protected by official regulations that emphasize the need to empower productive waqf for social benefits. This shows that with strong institutional support, waqf can contribute significantly to national development. However, the management of productive waqf still faces challenges, such as low public literacy and a lack of supportive regulations.

According to Hutagalung et al. (2023), proper management of productive waqf can improve community welfare through economic empowerment. This demonstrates the significant potential of waqf in supporting economic and social development. However, to achieve this potential, institutional strengthening and capacity building of waqf managers are necessary. Furthermore, it is crucial to increase public awareness and participation in waqf. Thus, waqf can become an effective instrument for sustainable development.

Overall, productive waqf has significant potential to support a productive economy and social empowerment. However, to optimize the role of waqf, institutional strengthening, supportive regulations, and increased public literacy are required. Thus, waqf can contribute significantly to achieving sustainable development goals and public welfare. Further studies are needed to explore the best strategies for managing and developing waqf in the modern era. This highlights the importance of understanding the evolution of the waqf concept over time.

Endowments and Provision of Public Services (Education, Health, Infrastructure)

Waqf has a historical role in the provision of public services, such as education and healthcare. In the past, waqf was used to build schools, hospitals, and other infrastructure that benefited the community (Cizakca, 2018). In the contemporary context, waqf can be used to support the development of sustainable public infrastructure. For example, waqf can be used to build healthcare facilities in remote areas that are difficult to reach by government services. This demonstrates that waqf can be a solution to address gaps in public service provision.

A study by RSIS (2023) shows that waqf can be used to support healthcare services, such as the construction of clinics and the provision of medical equipment. This can reduce the financial burden on the government and patients, as well as increase the accessibility of healthcare services for the community. Furthermore, waqf can also be used to support education, such as school construction and scholarships. Thus, waqf can contribute to improving the quality of life for the community through the provision of better public services. However, the implementation of waqf in the provision of public services still faces challenges, such as a lack of coordination between institutions and limited funding.

According to Hutagalung et al. (2023), proper waqf management can improve community welfare through the provision of quality public services.

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Overall, waqf has great potential in providing quality public services. However, to optimize its role, institutional strengthening, supportive regulations, and increased public literacy are needed. Thus, waqf can contribute significantly to achieving sustainable development goals and public welfare. Further studies are needed to explore the best strategies for managing and developing waqf in the modern era. This highlights the importance of understanding the evolution of the waqf concept over time.

METHODOLOGY

This study uses a qualitative approach with a descriptive exploratory design to understand the institutional role of waqf within the Islamic economic framework, particularly in supporting the productive economy and the provision of public services. This approach is considered most appropriate because it allows researchers to explore meanings, perceptions, and institutional dynamics that cannot be explained quantitatively. Data were collected through a documentary study of waqf policies, institutional reports, and relevant scientific journal articles. Furthermore, a content analysis was conducted of the results of previous studies and official publications of waqf institutions in selected Muslim countries, such as Indonesia, Malaysia, Turkey, and Saudi Arabia. This study also considers the institutional context of each country to gain a holistic understanding.

Data collection was conducted through a systematic search of secondary literature obtained from indexed international databases such as Scopus, Web of Science, and DOAJ. Keywords used included: waqf institutions, Islamic economics, productive waqf, public services, and institutional framework. Selected articles met the criteria of being published within the last five years (2019–2024), being in English, and being relevant to the study topic. The search yielded more than 80 articles, but after a selection process based on relevance and methodological quality, 35 articles were used as the primary references in the analysis. In addition to articles, policy documents and institutional reports such as BWI (Indonesia), JAWHAR (Malaysia), and GDF (Turkey) were also used.

The data analysis technique used was thematic analysis, with procedures including open coding, axial coding, and selective coding to identify patterns and

relationships between key concepts. The analysis was conducted using tools such as NVivo 12 to facilitate the process of categorizing and mapping the data. The main focus of the analysis was directed at findings related to the institutional dimensions of waqf management, its contribution to the productive economy, and its involvement in the provision of public services. This analysis also paid attention to the legal, administrative, and socio-political aspects of waqf institutions. In this way, this study seeks to provide an in-depth understanding of how institutional design influences the effectiveness of waqf in the contemporary Islamic economy.

Data validity was maintained through source and theory triangulation techniques. Source triangulation was conducted by comparing various data from scientific journals, institutional documents, and reports from international organizations such as the UNDP and IRTI. Meanwhile, theory triangulation was applied by comparing concepts from Islamic institutional economics, philanthropy theory, and the maqasid al-shariah framework. Internal validity was strengthened by the involvement of two other researchers in the coding process and independent discussion of data interpretation. This process aims to minimize subjective bias and ensure consistent interpretation. This technique is crucial given the normative nature and complexity of the institutional dimensions in the waqf context.

RESEARCH RESULT AND DISCUSSION

The Role and Contribution of Waqf in Supporting Productive Development and Public Services in the Framework of Contemporary Islamic Economics

Waqf has significant capacity as a wealth distribution mechanism that is not only spiritual but also has economic and social impacts. Research by Johari et al. (2020) shows that productive waqf has been able to empower marginalized communities through microfinance, the provision of business land, and entrepreneurship training. This aligns with the concept of distributive justice in Islamic economics, which emphasizes empowerment through social assets (Shaikh et al., 2022). The contribution of waqf is evident in supporting the informal sector, particularly MSMEs, which are the backbone of the economies of developing countries. Within the framework of maqasid al-shariah, the role of waqf also reflects the protection of property (*ḥifẓ al-māl*) and life (*ḥifẓ al-nafs*).

Several Muslim countries have demonstrated effective models for implementing productive waqf in economic development. For example, Turkey, through its General Directorate of Foundations (GDF), has successfully managed waqf portfolios for the property, commercial, and education sectors (Razak et al., 2022). In Indonesia, the Indonesian Waqf Board (BWI) has begun developing waqf synergies with fintech and Islamic banking to support small and medium enterprises. This demonstrates that when waqf is positioned within a solid institutional system, its contribution to national development becomes more significant (Ismail et al., 2022). Cross-sector synergy is essential to strengthen the role of waqf within the contemporary Islamic economic framework.

Beyond its economic role, waqf also plays a crucial role in providing public services such as education and healthcare. A study by Aziz et al. (2021)

highlighted how universities in Malaysia can thrive through waqf funding, both for scholarships and infrastructure development. In the healthcare sector, waqf-based hospitals have assisted vulnerable groups with free or subsidized services (Mohd Thas Thaker & Pitchay, 2020). This aligns with the principle of *al-maslahah* in Islamic economics, where waqf serves as a means of providing public services based on social justice. The availability of these basic services helps reduce inequality and improve the welfare of the community.

Waqf, as an Islamic social financial institution, has the potential to bridge the gap between surplus and deficit units in the Islamic economic system. This approach is considered more ethical and inclusive than conventional interest-based mechanisms (*riba*) (Saad et al., 2021). Because it is non-profit yet productive, waqf can operate as an alternative source of financing that supports sustainable development (SDGs). This role makes waqf the third economic pillar (alongside the public and private sectors) that balances the moral and material dimensions of development (Rusydia & Sanrego, 2020). Thus, waqf is not only a historical legacy, but a contemporary solution to the socio-economic challenges of the community.

Main Challenges Faced by Waqf Institutions in Optimally Realizing Economic Potential

One of the main challenges in waqf management is the weak governance of waqf institutions in many Muslim countries. A study by Saad et al. (2021) shows that many waqf institutions still face issues of accountability, transparency, and professionalism. The lack of comprehensive regulations and overlapping authority between agencies contribute to low waqf management efficiency. Yet, strong governance is a key requirement for waqf institutions to contribute significantly to development (Shaikh et al., 2022). Therefore, institutional strengthening is a key focus of contemporary waqf reform.

Another challenge is the lack of waqf literacy among the public and a lack of understanding of the concept of productive waqf. Many people still understand waqf as merely immovable assets for religious purposes, such as mosques and cemeteries (Johari et al., 2020). However, the potential of cash waqf and productive asset waqf is enormous if managed with a social investment approach. This limitation is exacerbated by the lack of public campaigns and systematic education from the government and religious institutions. Low public participation has resulted in suboptimal collection of productive waqf funds.

From a technological perspective, many waqf institutions have yet to adopt modern management information systems for asset management. This digital lag hampers operational efficiency and public accountability (Shaikh et al., 2022). Meanwhile, waqf institutions that have implemented blockchain or fintech, such as those in Malaysia and the UAE, have shown significant improvements in transparency and participation. This demonstrates that technology adoption is not merely complementary but an urgent need for modernizing the waqf system. Digitalization is a crucial catalyst for realizing credible and trustworthy waqf.

Legal constraints also pose a serious challenge to waqf empowerment. In several countries, a dual legal system still exists between positive law and Islamic

law, leading to inconsistencies in waqf regulations (Razak et al., 2022). This creates legal uncertainty for waqf investors and managers, particularly in the development of productive assets. Regulatory harmonization and simplification of legal procedures are urgently needed to facilitate waqf investment. Without legal certainty, waqf will struggle to develop optimally within a productive economic framework.

The lack of cross-sector collaboration between waqf institutions, Islamic financial institutions, and the government is also a major obstacle. Institutional integration is essential for establishing a strong and sustainable waqf ecosystem (Aziz et al., 2021). Furthermore, the limited managerial capacity and competent human resources in waqf management also hamper professional management. This presents a structural challenge that must be addressed through training and certification of waqf managers. Improving human resource capacity is key to realizing waqf as a pillar of development.

Institutional Strategy to Strengthen the Contribution of Waqf to Sustainable Economic and Social Development

The main institutional strategy that can be implemented is strengthening regulations that are adaptive to changing times and societal needs. Responsive regulations will encourage innovation in waqf management, including the integration of waqf with other Islamic financial instruments such as sukuk waqf and stock waqf (Mohd Thas Thaker & Pitchay, 2020). The government needs to design a legal framework that supports public and private sector collaboration in developing waqf assets. This aligns with the Islamic institutional economics approach, which emphasizes the role of formal rules in shaping economic behavior (Saad et al., 2021). A strong legal framework is the foundation for building trust and sustainability in waqf management.

Second, digitizing the waqf management system is a crucial strategy for increasing efficiency, accountability, and public participation. The use of digital platforms and blockchain has been shown to increase transparency and efficiency in the management of Islamic social funds (Shaikh et al., 2022). The development of mobile-based applications can also expand public access to cash waqf and micro-waqf. This digital innovation also expands the reach of waqf to millennials and urban communities. Thus, digitalization is a crucial bridge towards the democratization of modern Islamic philanthropy.

Third, establishing an autonomous and professional national waqf institution could be a solution to improve the efficiency of waqf asset management. This institution should be supported by multidisciplinary experts who understand Islamic law, finance, and asset management. Models such as the Turkish Waqf Foundation and the Waqf Board of India can serve as references for institutional strengthening (Razak et al., 2022). The institution's professionalism and independence will increase public and donor trust in waqf management. This is an important foundation for building institutional legitimacy in the public eye.

The fourth strategy is to build strategic partnerships between waqf institutions and Islamic financial institutions. This collaboration can strengthen

waqf's financial capacity through integration with products such as sukuk, takaful, or Islamic mutual funds. A study by Rusydiana & Sanrego (2020) shows that this integration can expand the economic impact of waqf while increasing Islamic financial inclusion. With a hybrid approach, waqf can serve a dual role as an investment instrument and a social instrument. This creates optimal synergy between economic and spiritual goals in development.

CONCLUSION AND RECOMMENDATIONS

This study finds that waqf, as a classical Islamic economic instrument, has a significant contribution to supporting productive economic development and the provision of public services. In the contemporary Islamic economic context, waqf has evolved from traditional forms to more dynamic and productive schemes, including cash waqf, stock waqf, and integration with digital technology. Despite this significant potential, structural challenges still hamper its optimization, such as weak governance, low public literacy, and limited regulations and institutional synergy. These findings also indicate that waqf institutions need to be supported by a robust institutional design to be able to address the needs of sustainable development. Synergy between the state, society, and the Islamic financial sector is key to optimally realizing the potential of waqf.

Theoretically, this study enriches the body of Islamic economics by emphasizing the importance of an institutional economics approach in understanding and strengthening the role of waqf. This approach emphasizes that the effectiveness of waqf depends not only on the intention and the assets donated, but is also largely determined by the legal structure, social norms, and incentive systems that govern the behavior of actors. Within the framework of maqasid al-shariah, waqf serves as a means to achieve social justice, collective welfare, and equitable distribution of resources. The practical implications of this study are the need for comprehensive waqf governance reform and strengthened collaboration between waqf institutions, Islamic banking, and public authorities. Furthermore, the development of innovative instruments such as waqf sukuk, blockchain-based crowdfunding, and micro-waqf will encourage broader community participation.

The state needs to take a more active role as a primary facilitator in strengthening the national waqf system. The government must develop a more progressive and flexible regulatory framework to accommodate contemporary waqf innovations without compromising Sharia principles. Regulations are needed that encourage the integration of waqf with the national development agenda, including the roadmap for poverty alleviation, educational equity, and healthcare reform. The state also needs to establish an autonomous institution mandated to oversee, standardize, and accredit waqf management, along with adequate budgetary and human resource support. Partnerships between the central and regional governments will strengthen the equitable distribution of waqf benefits across the region.

Islamic financial institutions have a strategic role in promoting waqf into the productive financial sector. Islamic banks can act as agents for managing cash

waqf funds (nazhir) and providing innovative products such as waqf-linked deposits, waqf sukuk, and micro waqf savings. Therefore, banking authorities must provide clear and secure guidelines for the involvement of financial institutions in waqf management. The synergy between waqf and Islamic finance will create a sustainable social funding system and reach productive sectors untapped by conventional markets. This financial sector involvement can also increase the accountability and credibility of waqf institutions in the eyes of the public and investors.

Waqf governance needs to be comprehensively reformed through the implementation of good governance principles, which include transparency, accountability, participation, effectiveness, and Sharia compliance. Waqf institutions must implement digital technology in asset recording, financial reporting, and public engagement, including through blockchain platforms and waqf management information systems. Professionalization of waqf human resources is urgently needed to ensure that managers understand waqf law, sharia investment, and modern management principles. A performance indicator-based monitoring system is also needed to ensure that each waqf institution can be evaluated periodically and objectively. The independence and credibility of waqf institutions will grow along with increased public trust in a transparent and effective system.

ADVANCED RESEARCH

Future research should focus on developing an integrated institutional and technological framework for productive waqf management by examining the interaction between regulatory quality, governance effectiveness, digital innovation, and stakeholder participation across different jurisdictions. Comparative and longitudinal studies are needed to assess the impact of emerging instruments such as waqf sukuk, blockchain-enabled waqf platforms, digital crowdfunding, and micro-waqf schemes on poverty alleviation, financial inclusion, and sustainable development outcomes. Additionally, future scholars should explore the application of advanced analytical approaches, including institutional economics, behavioral economics, and maqasid al-shariah-based performance measurement, to evaluate the efficiency, accountability, and social impact of waqf institutions. Investigating cross-sector collaboration models involving governments, Islamic financial institutions, technology providers, and civil society organizations would also provide valuable insights into creating a resilient, scalable, and globally competitive waqf ecosystem capable of addressing contemporary socio-economic challenges.

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