

## CHAPTER 5

### CONCLUSION AND RECOMMENDATION

#### 5.1 Introduction

This study was conducted to identify challenges for implementing the *Al-Tawriq Istibdaliah* instrument on idle and unproductive *waqf* assets in the SIRC. In order to achieve this objective, the concepts related to *Al-Tawriq Istibdaliah* are introduced in the early chapters, and qualitative approaches were used to learn the issues.

This study used a literature review, content analysis, semi-structured interviews and analysed the data using the ATLAS.ti 8 version software for the methodology. The information and data for the research were collected by conducting interviews with *waqf* managers. This chapter summarises the results and then makes specific policy recommendations regarding *waqf* management and the development of *waqf* institutions. After identifying the limitations of the study, this chapter concludes by providing recommendations for further study.

#### 5.2 Summary of the study

*Waqf* plays an important role in the development of the Muslim community. *Waqf* serves the ummah in almost all fields, such as religion, education, medicine, and socio-economy. However, there are various issues related to the development of *waqf*

assets, management, *waqf* law and awareness about it. Issues related to *waqf* assets that are not productive and idle are increasing in every state. This study concludes that the instrument *Al-Tawriq Istibdaliah* is found to have the potential to be developed as one of the alternative solutions and mechanisms for the development of *waqf* assets in Malaysia through the method of dilution of idle *waqf* assets, which is a variation of *waqf* asset development practices. In addition, the development of *waqf* assets has the potential to be realized through the injection of *waqf* funds and the acquisition of funds from the method of liquidating *waqf* assets through the instrument of *Al-Tawriq Istibdaliah*. However, this action involves several modifications that include the legal fatwa proposal on the approval of the *Al-Tawriq Istibdaliah* instrument. This study is also a change from violence to creating successful *waqf* assets and continues to benefit society. The instrument of *Al-Tawriq Istibdaliah* practically embraces the desire of dualism to sustain prosperity and guarantee everlasting rewards for fulfilling the *Maqasid of Sharia*.

The three main themes stem from the interview questions, and these are related to the concept of *Al-Tawriq Istibdaliah*, the feasibility of *Al-Tawriq Istibdaliah* implemented in SIRC, and the challenges found in implementing the *Al-Tawriq Istibdaliah* instrument. Generally, the challenges faced by *waqf* managers in implementing *Al-Tawriq Istibdaliah* instruments by complying with sharia principles. The importance of analyzing the challenges that occur can help defend and protect *waqf* assets and, at the same time, reduce the risk when implementing *Al-Tawriq Istibdaliah* instruments on idle and unproductive *waqf* assets. The law and decision from fatwa to allow *Al-Tawriq Istibdaliah* is very important to support his activities and facilitate *Al-Tawriq Istibdaliah* to run smoothly. However, through professional governance, the *Al-Tawriq Istibdaliah* instrument is seen to have the prospect of

increasing the value of a *waqf* asset while generating a stable return to the *waqf* beneficiary. In addition, the instrument *Al-Tawriq Istibdaliah* is also expected to open the mind of all levels of society to continue *waqf* and expand the practice of *waqf* in line with current developments. *Waqf* funds obtained from liquidating *waqf* assets through this instrument can then be replaced with more productive *waqf* assets and to progressively finance *waqf* projects for the welfare of the ummah.

The qualitative data supports the opinion that the concept of *Al-Tawriq Istibdaliah* is suitable to be implemented in SIRC to resolve issues related to idle and unproductive *waqf* assets or issues related to the acquisition of *waqf* assets by the government or other entities. The data gathered from five SIRC *waqf* managers confirmed that the concept of *Al-Tawriq Istibdaliah* had been applied in numerous states without their awareness. From a management perspective, most informants agreed that there should be a fatwa decision related to implementing this instrument and a skilled *waqf* manager and expert in dealing with this instrument. The principle of *syurutul waqif* is the main challenge in the implementation of the *Al-Tawriq Istibdaliah* instrument. *Waqf* managers from each state need to review the principles of *syurutul waqif* on each *waqf* asset, but from the point of view of *waqf* managers themselves, they need energy and professional experts to deal with these issues.

### **5.3 Research Implication**

This research focused on the challenges of *Al-Tawriq Istibdaliah* application for undeveloped *waqf* assets. In addition, the role of *Al-Tawriq Istibdaliah* application in developing undeveloped *waqf* assets to the Muslim economy was also studied.

Finally, this section will illustrate the implication of the findings from this thesis for the academic world, *waqf* institutions, Muslim, and government agencies.

### 5.3.1 Implication for Waqf Institutions

The findings from this research have several implications for the *waqf* institutions, for instance, *Al-Tawriq Istibdaliah* application is a systematic instrument to be applied by *waqf* institutions. These instruments will help and grow the unproductive and undeveloped *waqf* asset, making it much easier for *waqf* institutions to manage their undeveloped *waqf* asset smoothly.

The development of *waqf* assets is a good practice for *waqf* institutions to apply in economical practice. In the findings, the challenges of *Al-Tawriq Istibdaliah* are found in two areas, which is individual and *waqf* institution. In ensuring that *waqf* institution can be alert on those challenges. *Waqf* institution has a new solution to practise the *Al-Tawriq Istibdaliah* application to developed unproductive *waqf* assets smoothly. It will enhance the *waqf* institution reputations of each SIRC.

### 5.3.2 Implication for Policy

Policymakers such as the government should use these research findings to develop a new instrument regarding unproductive and undeveloped *waqf* assets. As a result of the findings and analysis, which can relate to the management of *waqf* assets, especially the *waqf* industry, in general, many implications for the policy can be gleaned. As *Al-Tawriq Istibdaliah* instrument will fully implement as a solution for unproductive and undeveloped *waqf* assets, the act of government should be included

the concept of *Al-Tawriq Istibdaliah*, which is the act of willing to pay the buyers and then found another productive *waqf* asset. The profit acquired from the rental will be channelled to beneficiaries. In terms of *Al-Tawriq Istibdaliah* applications, there must be one act that approves *Al-Tawriq Istibdaliah* as a new solution for undeveloped *waqf* assets.

Research suggests there will be a need for a wider autonomy for the entity managing the *waqf* properties. The latter suggests revising all *waqf*-related responsibilities under one entity. It means that *waqf* land registration, planning, development, and maintenance must be centralised under agency, apart from non-*waqf* responsibilities.

### 5.3.3 Implications for waqif

The usage of the *Al-Tawriq Istibdaliah* application will enable *waqif* to donate with ease. Each demonstration should be suggested for general *waqf* rather than specific *waqf*. Thus, SIRC will develop an open agreement *Al-Tawriq Istibdaliah* for the future to make sure the al-*waqif* asset is fully utilised. It will enhance the management of SIRC to conduct the unproductive *waqf* asset. *Waqif* will not hesitate to donate their asset as they will be used and generated optimally for Muslims. Therefore, understanding and knowing the real reality of challenges in developing *waqf* assets, especially the lack of capital for development and maintenance expenses. *Al-Tawriq Istibdaliah* provided a new solution to overcome the challenge. Understanding *Al-Tawriq Istibdaliah* well will encourage *waqif* to be more open and give permission for the implementation of *Al-Tawriq Istibdaliah* if needed in the future.

#### 5.4 Recommendations for Further Research

Further study in the area of *waqf* instrument is important to be explored. The establishment of *Al-Tawriq Istibdaliah* for solution in *waqf* issue will need auxiliary post-study research to be successful. The other areas subject to further analysis are the operation of *Al-Tawriq Istibdaliah* and the legal aspect of the *Al-Tawriq Istibdaliah* instrument in developing unproductive *waqf* assets. Furthermore, due to the *Al-Tawriq Istibdaliah* instrument for undeveloped *waqf* assets for the Muslim economy, fostering entrepreneurship through *waqf* assets is also attractive to discover.

Finally, to complete the *Al-Tawriq Istibdaliah* instrument structure, the additional study of investment funds is also useful. Once benefits are channelled to beneficiaries by using fully utilised asset *waqf*, the rental income will be placed in investment funds. Therefore, another semi-structured interview related to this topic is needed to complete this study.

Johor Bahru SIRC has an issue with the undeveloped *waqf* asset. Therefore, it cannot be fully utilised as presented in the data analysis of chapter 4. However, further study in this research needed to be conducted to increase the awareness of the *Al-Tawriq Istibdaliah* instrument. Furthermore, the *Al-Tawriq Istibdaliah* instrument needs its enactment for it to be fully operational.

Many studies have been done in *waqf* instruments for property development from the standpoints of *waqf* administration, *waqf* issue, *Istibdal*, and *waqf* beneficiaries. However, *waqf* beneficiaries are also important stakeholders of *Al-Tawriq Istibdaliah* instrument as its also potential for the *waqf* institution. Consequently, another subject that should be studied further is the SIRC perspective. It will provide room for improvement in ensuring the *Al-Tawriq Istibdaliah* instrument is operational.

This research will provide a based study for future research in *waqf* instruments in other Muslim countries. Likewise, one can also analyse if the *Al-Tawriq Istibdaliah* instrument is suitable for undeveloped *waqf* assets and operations in *waqf* institutions. Hence, research comparisons can be made to other Muslim countries to comprehend the factors influencing Muslim economic development.

Future research should be conduct regarding the four schools of thought: Maliki, Hanbal, Syafie and Hanafi, within the context of *waqf* and instrument. According the four schools of thought, it would be interesting to find out if the *waqf* instrument can fit in the structure and operation of the *Al-Tawriq Istibdaliah* instrument.

Postgraduates can also gain new knowledge in the academic world. In particular, this study recommends that future post-study is done on investment of undeveloped *waqf* asset, *waqf* instrument and development of *waqf* asset. In addition, a future study post-study examining the theory that this thesis developed using quantitative method is also relevant.

Another potential research would be the difference between *Istibdal* and *Al-Tawriq Istibdaliah* instrument and their effect on the Muslim economy. The significance of *waqf* beneficiaries to be in control of their financial situation and how they rationally classify their assets and wealth into specific accounting records should also be included in future research.

Another interesting post-study research would be on the satisfaction of buyers for *waqf* assets in receiving cash *waqf* from SIRC which also can include entrepreneurship training. Therefore, the post-study research should include a model for buyers of asset *waqf* that cash *waqf* given to *waqf* beneficiaries are not wasted and will ultimately impact the Muslims socio-economic development.

The amount of subsistence of *waqf* asset to clear the undeveloped *waqf* asset should be considered not only for the *waqf* land but also for another undeveloped *waqf* asset. Condition and inflation should be take noted especially the performance of SIRC. If the SIRC management is down, there will affect Muslims to be al-*waqif*.

The research revealed several important findings, which have been utilised to propose policy recommendations to affect change in the overall enhancement of the *waqf* management system. Finally, recommendations, are presented in the following sections and based on the thematic order to give the same flow and thought process used in the research.

## 5.5 Limitation

The *Al-Tawriq Istibdaliah* instrument of liquidating *waqf* assets to develop idle *waqf* assets will be adopted in each state's SIRC to ensure that the assets are more productive and their benefit to the people. However, this study is limited to four Islamic religious councils in Malaysia such as the SIRC in Kedah, Pulau Pinang, Terengganu, and Johor. These four SIRC analyses found that several issues can be attributed to *Al-Tawriq Istibdaliah* instruments and others to the *waqf* assets developed by the SIRC. The SIRC has implemented an *Istibdal* which indicates that the *Al-Tawriq Istibdaliah* instrument has occurred.

Moreover, this study is limited to statistical studies of *waqf* development in Malaysia only. Studies on *waqf* issues such as non-productive *waqf* are available only in Malaysian studies. Qualitative studies to find barriers in implementing *Al-Tawriq Istibdaliah* instruments were limited to the SIRC interviews only. Therefore, it is not available to the public for this study and this instrument. This instrument should be

made available to the public to develop *waqf* assets, especially investment agencies that want to invest in *waqf* land assets and develop them.

In addition, this search focused on *Al-Tawriq Istibdaliah* implementation's challenges from the SIRC, and it does not include private *waqf* agencies. The reference of this study is made only in Malaysia without looking into the instrument of *waqf* in other countries to develop *waqf* assets.

The focus of the thesis is on the challenges in the *Al-Tawriq Istibdaliah* instrument in *waqf* development. The aim of the study is to discover the challenges and preparation for SIRC and improve the management of *waqf* properties by *waqf* managers. It indicates that choices have been made, which may, at the same time, be considered as the limitations of the study.

Finally, the purpose of the *waqf* assets used is not strictly for charity purposes. For example, while there are properties built to support the beneficiaries directly, such as the welfare home and orphanage cases, there are also properties used for commercial purposes, which accumulate to the beneficiaries. Focusing upon the different uses of *waqf* properties may provide an additional understanding of how accountability works in different settings. Future studies continue to differentiate between *waqf* properties used for charitable reasons and property used for industry.

## 5.6 Conclusion

*Waqf's* self-proclaimed goal should be to gain beneficiaries and the public. The manner wherein it can be achieved depends on the property manager, the SIRC generally and the *waqf* managers in the case of Malaysia. The management of *waqf* must rely on the *waqf* officer in dealing with issues related to *waqf* assets. They should

be given some flexibility to be more creative and willing to try new instruments as long as the creativity is aimed at helping the beneficiaries for *waqf* assets to continue to build.

Based on the research done, non-productive *waqf* can be developed towards maximum benefit to the people. The research has identified challenges to *Al-Tawriq Istibdaliah* implementation and readiness in the implementation management and development of *Al-Tawriq Istibdaliah* instrument. This study combined with semi-structured interviews and sources from the *waqf* managers in various states has enabled this research to provide an in-depth overview of *waqf* management. Thus, a comprehensive study of *waqf* management in Malaysia has been conducted and a new spectrum of how and what can contribute to further development of *waqf* assets. The policy recommendations examined are hoped that the management of *waqf* would be enhanced and strengthened.

It is imperative that the *waqif* or the tester creating a *waqf* is satisfied that the *waqf* can be managed professionally even after his lifetime. Therefore, corporate management, good legislation, and a sound legal structure are important to ensure the management and security of land and the preservation of the needs of beneficiaries and *waqif*. However, such goals could not be met without strong and consistent rules, laws, and policies, and therefore trust in the organisation will be undermined because there are no solid foundations to create an organisation.

This research suggests the *Al-Tawriq Istibdaliah* instrument in managing non-productive *waqf* assets. However, this is only possible if the regulatory framework and interpretation of Shari'a and fatwa departments support such structures, especially when it comes to sensitive issues. It also allows individuals with small capital to participate in the *waqf* through purchasing real estate.