


## Analysis of challenges in managing and developing of contemporary waqf in the federal territory, Malaysia



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### ABSTRACT

#### Article History

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The purpose of the study was to analyze and find out the issues in managing and developing contemporary waqf practices in current practice in the Federal Territories, Malaysia. The Federal Territory was used as a sample for this study because it is the capital of the country which is the focus of development and modernization from various aspects including contemporary waqf. This study used the qualitative design in research method which is data collection is through primary sources by interview conducted with Islamic Religious Council of the Federal Territory (IRCFT) at Zakat Collection Center (ZCC) officials from the Waqf Unit who were also former project managers at the IRCFT's Waqf Center. The findings shows the contemporary waqf is a type of charity that has special characteristics compared to other charitable activities. In fact, there are three differ in their specific practice contexts and objectives. This contemporary waqf is very important because it will maximize the accumulated waqf funds in addition to developing a more modern ummah economy in accordance with current benefit. The practical implications, the data for this study is very important to assist authorities such as the Islamic Religious Council of the Federal Territory (IRCFT) in planning promotions to open the minds of the community, especially Muslims, regarding the wider importance and effectiveness of contemporary waqf that is in line with the changing times to meet the current needs of the community and the country.

**Contribution/ Originality:** Previous studies on contemporary waqf in Malaysia are more about legal concepts and debates in analyzing shariah laws from classical waqf to contemporary waqf. Meanwhile, this article contributes to knowledge by analyzing the challenges in managing and developing the contemporary waqf in current practice in the Federal Territory.

## 1. INTRODUCTION

In Malaysia, the waqf management has been managed under the jurisdiction of the state religious council. Likewise with waqf matters, the Islamic religious council is responsible for managing waqf property such as land. Therefore, each waqf management for each state has a different implementation system. In order to create a good waqf system administration, the government has created an institution called JAWHAR which stands for Department of Awqaf, Zakat and Hajj. JAWHAR aims to create waqf lands throughout Malaysia and to set up a Sharia compliant administration system for waqf institutions with a collaboration from State Islamic Religious Council (Kamri, 2010).

However, there are a few issues that arise in managing and developing the waqf property. There are several waqf lands that has been abandoned and not well managed. A statistic from JAWHAR have stated that there are around 30,000 hectares of waqf land across the country, but only 13 percent are developed. The remaining 87 percent or 26,100 hectares have not yet been fully cultivated (My Metro, 2019). This is such a huge loss because the lands should be used in the best way possible. In addition, the continuation of the abandoned land issue earlier is due to a lack of funds. Funds are very important and become the starting point in order to develop the waqf land.

Based on the topic of this study, the practice of waqf in Federal Territory was choose to analyze how waqf can be well manage in this states since there are three regions that are combined under one Islamic religious council and has a relatively dense population compared to other states. Apart from that, Kuala Lumpur, which is a state located under the Federal Territory, is the state with the highest cost of living and many of its residents were called urban poor. Therefore, the researcher is very interested to see how the practices of waqf in the Federal Territory can help its residents in various aspects of life, especially the economic aspect.

## 2. PROBLEM STATEMENT

The problem is the waqf collection in Federal Territory showed the lowest collection and distribution compared to others states. Majority people understand waqf only by giving Al-Quran or build a mosque. However, the fact is that waqf is not just about giving Al-Quran or building or any other properties, but we have various method and ways to implement waqf in this contemporary world. The community needs to be given proper understanding regarding waqf and its implementation that is appropriate to the current situation. The graph below from Malaysia Waqf Foundation showed that the distribution of cash waqf until 15 August 2021 for Islamic Religious Council for Federal Territory was only RM 3000 which is the lowest.

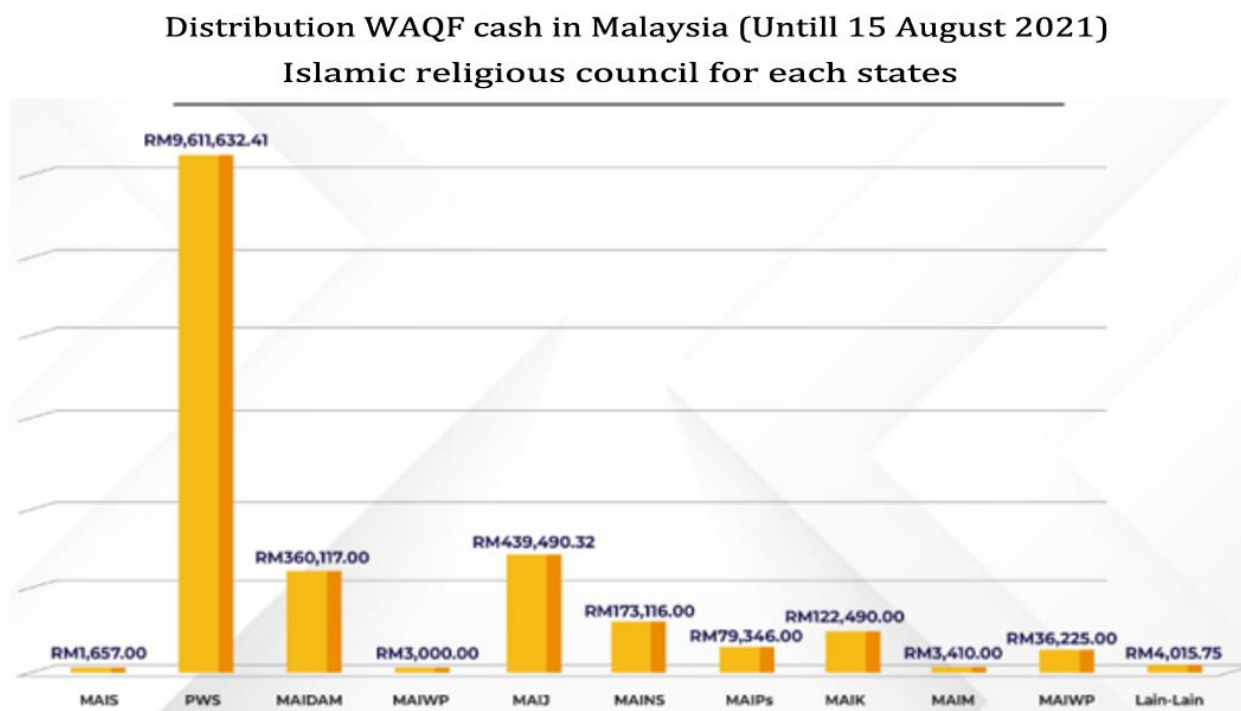


Figure 1. Graph distribution of cash waqf of Islamic religious council for each state until 15 August 2021.

Figure 1 shows that the practice of waqf in Federal Territory is still low while the Federal Territory is a very potential region in practicing contemporary waqf based on the progress of the region when compared to other states. This shows that in the contemporary waqf practice there are issues that need to be analyzed in order to make improvements so that the potential has a higher impact. Therefore, this study is also carried out to what extent is

the role of the Islamic Religious Council of the Federal Territories in providing understanding and increasing the productivity of waqf in the federal territory.

On the other hand, the deteriorating and unstable economic situation requires the strengthening of this waqf system. In 2022, the price of goods has already risen several times such as fish, flour, milk and vegetables have all risen sharply and will definitely put a burden on consumers, especially the B40 group (BH Online, 2022a). Based on the Department of Statistics Malaysia (2020) B40 group is a household with an income below RM4,360 which is low income group and yet this B40 group continues to increase day by day. Therefore, waqf should show its role and function in helping the community especially in these difficult times.

The problem arise is many waqf properties are abandoned and not well managed such as waqf land. According to a report from Department of Islamic Development Malaysia (DIDM)'s Research Division in 2002, the country has an area of 20,735.61 acres of waqf land throughout the country. BPMB chairman, Tan Sri Nazir Razak, estimated that only around 13 percent of waqf land has been used for development purposes (BH Online, 2022b). If all this waqf land is not developed, then it will cause a great loss to the entire country and society because of the many benefits we can do through the waqf land in Kuala Lumpur, there is a 1.2 hectare piece of land that has been donated by Ahmad Dawjee Dadabhoy. The Islamic Religious Council of the Federal Territory as a trustee has established a surau on the land. At the same time, a building was established and the Islamic bank became the main tenant of the building. This is one of the good way on how the waqf properties should be well managed.

Besides, the governance of waqf is a crucial aspect to ensure the proper management and utilization of waqf assets. One of the key measures to ensure good governance is the establishment of specific guidelines for the management of waqf. These guidelines should cover various aspects of waqf management, including the appointment of qualified trust managers, the conduct of financial audits and activity reports, and obtaining the opinion of Islamic law from a single authority (Arif, Adenan, Rosli, Mamat, & Moidin, 2023).

In the federal region, there is also the implementation of istibdal waqf where there is a replacement of the original waqf asset to a new waqf asset because one of the reasons is the location of the old waqf asset is not conducive. Asni, Noor, Hasbulah, and Halim (2023) found that the implementation of istibdal waqf property in the Federal Territory of Kuala Lumpur involves only two lots. One lot is general waqf land and another lot is special waqf land. One of the factors in the implementation of istibdal is the initiative of MAIWP to develop waqf land that is not strategic, small and uneconomical. The initiative taken by MAIWP in implementing the concept of istibdal on the waqf properties is very good. This is because if the waqf lands can be developed, then it can be utilized to the maximum. This is directly shows how the implementation of contemporary waqf needs to be developed to the maximum so that the benefits of the waqf are more comprehensive and effective with today's modern era.

### 3. LITERATURE REVIEW

#### 3.1. Concept of Contemporary World

Waqf is a part of Islamic worship as well as importance in order to improve the society's economy. Generally, waqf in language means to stop or detain. In terminology, it means to detain the waqf property from selling or leasing and it needs to be used by others (Ab Rahman, 2009). Waqf also can be defined as a type of long-lasting charity whose gains or benefits are intended for the advancement of the social, spiritual, and economic well-being (Laluddin, Haneef, Mohammad, & Rahman, 2021).

Contemporary world bring a new breath in our life and one of the important element in this modern world is technology. With the existence in it, there are many new issues and problems has been created. The technology has become the main factor in order to differentiate between one era and another. For instance, before the 20's era, teachers need to teach using chalk and blackboard. However, nowadays, since the pandemic COVID-19 began, the education and learning process has been practice from home in order to avoid the virus infection which is through online learning. Therefore, education and learning process was carried out through many other gadgets and various

of applications such as google meet, teams and zoom. This shows that the advance in technology is really needed in this contemporary world.

In early of Islamic era, there is no cash and people will only give their property for endowment. But since the existence of cash, many people have contribute their cash in waqf. Anyway, some scholars like Hanafi and some from Shafie's does not allow cash waqf (Sulong & Rahman, 2019). However, referring to the current benefit which means something beneficial in today's society, the 77th Fatwa Committee of the National Council for Islamic Religious Affairs of Malaysia which convened on 10-12 April 2007 at Primula Beach Resort, Kuala Terengganu - Waqf in the form of cash is allowed in Islam (Yayasan Wakaf Malaysia, 2021).

Many believe that the waqf system is not a new affinity for modern Islamic economics. Since the eighth century, most Muslim-dominated states have provided a large scale of public goods to their respective countries. These wide-spread resources flow to the waqf and result in many services being financed through waqf, including mosques, schools, hospitals, fountains, roads, parks, accommodations, bathhouses, orphanages, and soup kitchens. For instance, waqf's services to big cities in the Middle East have been established for a long time. Waqf is a fundamental economic institution that generates economic activities while simultaneously ensuring benefits to a particular part of society (Ismail, Hassan, & Rahmat, 2023).

### 3.2. Management of Waqf in Malaysia

Management is one of the important key or element in order to enhance the development of waqf. Generally, each countries that practice waqf will have different type of system and management. For instance, in Kuwait, the waqf management has been put under the Ministry of Awqaf and and Islamic Affairs while in India Ministry of Minor Affairs is fully responsible in waqf sector (Mohamad, Islam, Abdul Manaf, & Nasrul, 2021). Those stated countries showed that the waqf management are fully responsible under the government. Nevertheless, in Malaysia, all matters related to religion including the waqf management are fully under the responsibility of State Islamic Religious Council.

The emergence of waqf in Malaysia began along with the spread of Islam that was brought in by Arab Muslim traders to Tanah Melayu along time ago (Kamarubahrin & Ayedh, 2018). Since then, the Islamic religion started to growth among the Malay people and it is the starting point where the waqf has began. According to Kamarubahrin and Ayedh (2018) in the early Islamic period in Malaysia, the people who wanted to waqf their property need to see the head village as their trustee of the waqf but there was no documentation have been made.

Since the State of Islamic Religious Council are responsible towards the waqf management, therefore each states may have difference procedure and process of endowment. For instance, in Selangor, Selangor Waqf Corporation which is a subsidiary of the Selangor Islamic Religious Council has been established. This institution performs several functions such as planning, developing, implementing and encouraging the development and implementation of waqf property and products, manage and carry out the operation and maintenance of waqf property including facilities, infrastructure, places and tools in the area of the waqf property and many other functions.

In the area of federal territory, Islamic Religious Council of the Federal Territory (IRCFT) has been entrusted to supervise and manage the all religious matters including waqf which include the area of Federal Territory of Kuala Lumpur, Putrajaya and Labuan (Mohamad et al., 2021). In addition, in 2014, MAIWP Waqf Centre has been established which is one of MAIWP subsidiaries which focuses on collecting waqf in cash. For the state of Kedah, management waqf is fully under the Islamic Religious Council of the state (MAIK) without the establishment of other subsidiaries. They also implement waqf collection in cash and until January 27, 2022, MAIK managed to collect waqf amounting to RM 925,996.75.

Even though in Malaysia, the jurisdiction of waqf management is subject to the Islamic religious council, there is an institution established by the government, which is JAWHAR, to ensure that the overall administration of

waqf in each state were carried out properly. JAWHAR stand for Department of Awqaf, Zakat and Hajj The Malaysian Waqf Foundation is another government agency that has been established to manage waqf resources in Malaysia in stages. The objective of Yayasan Waqaf is to develop and advance waqf property throughout the country through cooperation with the State Islamic Religious Council. Among the systematic waqf methods used by them is through cash waqf collection. Until 15th August, 2022, the Malaysian waqf foundation has successfully collected for cash waqf as much as RM 4,585,792.65 (Yayasan Wakaf Malaysia, 2021).

### *3.3. Waqf Products*

In nowadays, there are many contemporary waqf products that has been implement in our country. The various of waqf products showed that the development of waqf is growing rapidly. Waqf, an ancient Islamic philanthropic instrument, has resurged to global prominence in the contemporary era due to its substantial potential for tackling these prevailing challenges. Waqf plays an important role in triggering moral issues underpinning economic downturns, such as greed and materialism, by fostering selflessness and collective well-being. Furthermore, waqf aligns with Islamic economic principles that address systemic flaws in the global economic system, including the division between financial and real sectors and the detrimental effects of interest-based debt and excessive speculation (Bachri & Rosyadi, 2024). Adhering to Sharia principles, waqf investments inherently link to the real sector, nurturing economic stability and sustainable growth.

Among the contemporary waqf products that has been practiced are waqf shares, waqf takaful and commercial waqf. The basic details of each contemporary waqf product are as follows:

#### *3.3.1. Waqf Shares*

In Malaysia, waqf shares has been introduced by the Johor Corporation Berhad (JCorp). Shares are ownership rights of a company in the form of equity According to Waqf shares is a movable waqf and it was created with liquid funds to support ongoing humanitarian efforts in the name of Allah. Basically, this waqf product involve corporations and big companies which can purchase the shares according to their budget. Through this waqf of shares, it is not only related to capital or the assets that are waqf can be maintained, but it will give multiple profits and can generate more new waqf properties in the form of permanent property.

#### *3.3.2. Waqf Takaful*

In waqf takaful, it is a combination between Takaful and Waqf. The waqf element in this takaful will be apply upon the death of the takaful participants. It is only used once the certificate has reached maturity or in the event of a participant's death, in which case the Takaful benefits are donated to any social institutions. Therefore, the takaful participants will get benefits as the takaful participants and also they will be rewarded in the hereafter.

#### *3.3.3. Commercial Waqf*

This waqf is still moving slowly and has not developed widely in this country. This waqf is one of the newest waqf products available in this country. Commercial Waqf is a method of owning land and buildings using Waqf Funds. The collected funds will be used to buy a piece of land and build a building on it. The building is rented out for profit. With that Commercial Endowment brings returns that will continue to grow in benefits. The main objective of this waqf product is to earn income or profit.

#### *3.3.4. Cash Waqf*

Cash waqf, or cash endowment, is a form of liquid asset that can be channeled immediately towards certain investment objectives, and the dividends or capital gains derived can be utilized to meet the desired aims under the waqf charter. The cash waqf is usually formed where the pooled donations are used to build institutions, such as

schools, hospitals, and orphanages. It is argued that a cash waqf can pool more resources and ensure a wider participation of individual donors.

#### 4. METHODOLOGY

This study will use qualitative method. The data will be collect through interview. Researchers also tend to use case study approaches and library research technique to get the data in order to achieve the purpose of this study through two sources in collecting data either primary data and secondary data.

**Table 1.** Research question sin in collecting data.

No.	Research question	Data sources	Method	Measures/ Deliverable
1	How does contemporary waqf has been practice in federal territory?	Library research	Interview/ Observation	To identify the current practice of contemporary waqf in federal territory
2	What are the issue and challenges that has been faced for the application of contemporary waqf in federal territory?		Interview/ Observation	To analyze the issues arise in managing and developing the contemporary waqf in the study area.
3	What are the best suggestions to improve contemporary waqf development in the state of federal territory?		Interview/ Observation	To propose some recommendations or suggestions in order to enhance the development and practice of contemporary waqf in federal territory.

Table 1 shows that the interview method with respondent in collecting data through themed research questions. There are three themed research questions based on the issues studied are the current practice of contemporary waqf in the Federal Territory, then the issues and challenges faced in the current practice as well as suggestions for practical improvements to produce a better impact in the future.

##### 4.1. Data Collection Method

For the primary data, the researchers has conducted an interview with an officer from Zakat Collection Center (ZCC) IRCFT from waqf unit which also a former officer of project manager of IRCFT Waqf Centre. The interview was conducted on 20<sup>th</sup> January 2023 and has take place at meeting room of ZCC, IRCFT located in Taman Shamelin Perkasa, Kuala Lumpur.

In primary data, the researchers collect information through library research For this method, journal, books, newspaper and any others related sources will be use to gather all the information. All the data has been obtained from internet such as google scholar, research gate and online newspaper. In addition, the data also can be obtain through books and journals from the library. Moreover, researcher also had the opportunity to collect some information from IRCFT Waqf Centre based on their paperwork and their current projects.

#### 5. FINDINGS AND DISCUSSIONS

##### 5.1. The Practice and Method of Contemporary Waqf in Federal Territory

Through Permodalan Nasional Berhad (PNB)s press release as well dated 25 October 2021, they decided to implement the waqf through Amanah Saham Nasional Berhad (ASNB), in collaboration with the Islamic Religious Council of the Federal Territory (PNB, 2021). Shares waqf is a purchase of share certificates and the perpetual endowment of such share certificates for the profit of Allah and the well being of Muslims. This waqf product is very famous nowadays especially among the corporate. Basically, waqf shares works when any institution may

issue waqf shares with a range of values, and any proceeds from their sale will be distributed to the beneficiaries. The second waqf product is medical waqf. The focused of this waqf is to provide medical equipment and facilities such as hospital bed and others. In nowadays, we can see that there are a lot of prevalent diseases and viruses. The increasing number of patients are also very worrying because the existing equipment and facilities cannot accommodate with the high number of patients at one time. Lastly, the current product waqf is housing waqf. This waqf product focusing on the benefits of housing needs, property ownership and waqf land development.

Although these new waqf products are going well, however other waqf products that have been carried out before are still continue such as waqf Al-Quran. On September 30<sup>th</sup> 2022, the MAIWP Waqf Center in collaboration with the Regional Education Department and various other agencies implemented the Al-Quran endowment program to schools throughout the Federal Territory. Therefore, new waqf products are very interesting to implement in accordance with the current world situation, but the previous waqf products still need to be implemented so that the waqf industry in the Federal Territory can be practiced by the whole community.

Regarding to cash waqf, it is not required a person to have a specific asset or things to endow. It also does not have certain required amount that a person should have. Instead, community can also contribute in endowment by using cash as much as they have and they want. Plus, there are many channels that community can contribute with this cash waqf either through the waqf fund or online payment. From the researcher's study, among the mosques that have waqf fund are Saidina Othman Mosque, An-Najihin Mosque, Al-Ghufran Mosque and many more. Apart from waqf fund located in the mosques, if there are any event, waqf team will open a booth to promote waqf in Federal Territory and at the same time community can donate in cash waqf at the booth. For instance, IRCFT Waqf Centre once opened a booth to promote the virtual waqf running program at Bank Islam. At the same time, they also prepared a waqf fund at the relevant booth and gave information about waqf there. Cash waqf become the easiest way for community to contribute in because the waqf institution have provide salary deduction system. For anyone who wants to make salary deduction through waqf, they can fill in the form. After two or three months, their salary will be deduct around RM5 monthly and will be channel to waqf of Federal Territory fund.

One the most important in the practice of contemporary waqf is about the digital platform as a medium of promotion. In Federal Territory, there are various digital platforms used. If we can see, in waqf on Federal Territory portal, they have provide information about waqf and there are a lot of waqf project that are currently on going and need of waqf collection to complete those project. The cost of waqf project are also provided and they can choose to pay waqf from which projects. So, for anyone that are interested to contribute in waqf, they can just click link in the portal and it will be connect with online payment. In addition, they also used link, or QR code in order to enhance the cash waqf collection.

Based on the practice management related with waqf in Federal Territory, there are three hierarchy of waqf institution which functions to assist in waqf management in the Federal Territory. The first is *al-nazir* which is appoint by IRCFT. IRCFT is the sole trustee and is qualified to manage waqf property in the Federal Territory. At IRCFT there is also a special endowment unit or department that is managed by experienced and knowledgeable parties. As stated in the law, IRCFT is the main trustee in waqf management in the Federal Territory but they have the right to appoint or establish institutions to help them manage waqf in the Federal Territory. Therefore, IRCFT has appointed several companies as *mutawalli* to help them manage waqf. *Mutawalli* functions as a manager of waqf property and has the right to manage waqf property that has been entrusted to them. *Al-mutawalli* must be officially appointed by IRCFT to manage waqf. Lastly the third place hierarchy is *al-qayyim*. There are several agencies that has been appointed as *al-qayyim* among them are Mobility One, Etiqa Takaful, Khadijah International Waqf Foundation, Tulus, Pusat Pungutan Zakat, Persatuan Belia Masjid Wilayah Persekutuan, Hong Leong MSIG Takaful and Tabung Warisan Khas Kesihatan.

### *5.2. Issues and Challenges of Waqf in Federal Territory*

There are two main challenges in practicing waqf which are the level of community understanding and awareness on waqf and the lack numbers of staff in managing waqf. If we look in more depth, understanding among society is needed because the community will contribute in this waqf. Property, assets or cash and other forms of waqf will come from them. Another challenge mentioned by the informant is lack number staff in managing waqf. The lack number of staff is about internal control. There are five elements contained within the control which are control environment, control activities, information and communication, risk assessment and monitoring (Mahmood, Shahida, Hameed, & Mustaffha, 2017). Clearly, each of these elements requires different membership and staff to ensure that the internal strength of the waqf institution can be achieved.

Many Non-Government Organization (NGO)s give more support and cooperation in order to develop the waqf in this region. Waqf institution need more support from other institution to encourage the implementation and practice of waqf in Federal Territory. The Labuan Financial Service Authority approved the creation of Khadijah International Waqf Foundation on April 23<sup>rd</sup> as a Labuan Islamic Foundation. Among the objective of the establishment are generate fund through waqf and donations by asking generous donors and benefactors around the world for money, properties, and other values and to manage endowed funds with prudence in Shariah approved low-risk investments, focusing on sustainable initiatives with social impact. Despite the NGO's involvement in waqf, however, the informant did not state anything related to cooperation with the government in this waqf matter. Therefore, the researchers can see that cooperation from the government is a challenge in the implementation of waqf in the Federal Territory.

Besides, there are many issues of abandoned waqf property such as in Pulau Pinang and Kedah. However, Federal Terriotry also does not miss about this issue. The issue of abandoned waqf property there is happen in the Federal Territory not only land but also houses. This happens due to lack of funds which is also one of the challenges in practicing waqf in the Federal Territory. Nevertheless, he also mentioned that this issue becomes more difficult due to the fact that there is waqf land that is made as a special waqf for a specific purpose.

Community are the person that will contribute and help to enhance waqf in Federal Territory. However, it seems like they are still lack of knowledge related to waqf. Therefore, informant emphasize in expanding of preaching and promotion of waqf in Federal Territory. Apart from preaching and promotion, the culture of waqf is also needs to be revived. Waqf is also like knowledge that needs to be practiced and practiced in daily life and to cultivate it needs to be emphasized in a person since childhood. In nowadays, many issues such as fraud and scammers occur and certainly some also occur in waqf activities. Therefore, the informant suggested to enforce the law in the Federal Territory to avoid scammers in the practice of waqf.

### *5.3. Waqf Products that Should be Prioritized and Need to be Improve*

The informant mentioned that these three things has become important issue to our country because it is a major problem in today's society and it is important to be developed through waqf. In terms of food security, the best waqf product to solve this issue is waqf in agriculture and livestock waqf. Generally, Malaysia does not produce enough food for its population and industries; its agricultural productivity is 45% of the average among high income countries. Therefore, if agricultural waqf is developed, it can meet and cover at least the daily food of the Malaysian community for a long time. However, this agricultural waqf is seen as not suitable to be implemented in the Federal Territory due to the lack of land resources.

Another waqf product that should be prioritize nowadays is health waqf. Although this waqf product is being continued preferably in the Federal Territory, but the this waqf needs to be given more attention. The third waqf product is housing waqf which also are needed because there are still many residents in the Federal Territory cannot afford to own a house.



In order to develop waqf and ensure that it continues to be practiced in the Federal Territory, it is necessary for the waqf organization or institution to identify what aspects they need to improve. Therefore, the informant take an example from Lembaga Tabung Haji and make that institution as a role model. The Tabung Haji has been able to go international because of their excellent management with the achievement of 82 billion assets despite the fact that at the beginning of the establishment of Tabung Haji it was quite difficult and difficult to develop.

It stated that the need for scholars which is muslim scholars and muslim leaders is necessary for the successful management of an institution. Both play an important role and both need to know the functions and knowledge related to both. The informant also explained in more detail that there are several important aspects in management to make it more robust and good. To simplify the findings, the researchers has classified the following codes into several related themes.

Table 2. Codes based on the findings from the three themes of the research question.

Themes	Codes
The practice of contemporary waqf in federal territory	<ul style="list-style-type: none"> <li>● Waqf product that are new and contemporary</li> <li>● Waqf products that is easy to be practice</li> <li>● Use of digital platform in practicing waqf</li> <li>● Institutions involved in managing waqf</li> <li>● Procedure of waqf property</li> </ul>
Issues and challenges in contemporary practicing waqf	<ul style="list-style-type: none"> <li>● Main challenges in practicing waqf in federal territory</li> <li>● Cooperation from government and NGOs</li> <li>● Issues of abandoned waqf property</li> </ul>
Suggestions to enhance the development of contemporary waqf in federal territory	<ul style="list-style-type: none"> <li>● Suggestion to encourage community to involved in waqf</li> <li>● Law enforcement</li> <li>● Waqf products that should be prioritized</li> <li>● Aspect of waqf need to be improve</li> </ul>

Table 2 shows that the codes of findings from the three themes of the research question as a result of interview with respondent. The codes shown that the analysis on issues and challenges in practicing of contemporary waqf need to improve and development in federal territory based. Result from this findings will create some the recommendation and suggestions to government, waqf institution and individual perspective.

## 6. CONCLUSION

This research contributes in various ways in order to achieve the understanding on the practice of waqf in contemporary world that focused on Federal Territory. According to the third research objectives, to analyze best suggestions and to propose suggestion to improve waqf development in this contemporary world. From the result, there are some recommendation and suggestions to government, waqf institution and individual perspective.

First and foremost, government play crucial role to ensure that this waqf can be implemented in the best possible way. Therefore, there should be involvement from government ministries and agencies in further promoting this waqf activity in the federal region. For instance, Ministry of Communication and Digital as an government agencies need to advertise waqf by doing advertisements such as short films or other short advertisements to be shown on local television. Advertising can also be done on government agency websites and also advertisements on the radio to show the government's full support for waqf, especially in the Federal Territory.

In addition, government also perhaps can inject some capital to develop some waqf property that has been abandoned. One of the reason the waqf property has been abandoned is lack of funds. Waqf property such as land and buildings has been given, however the fund to develop the land and buildings still not enough because MAIWP as the sole trustee does not have sufficient capital. Therefore the government is encouraged to pay attention to this

issue and give capital injection to MAIWP to develop the abandoned waqf lands because the results and benefits from a developed waqf land will help the government in improving the national economy.

Next is waqf institution in Federal Territory which is MAIWP. Various efforts has been made by MAIWP in managing and encouraging the implementation of waqf in the Federal Territory. However, in terms of promotion and marketing is still lacking. Many people out there do not understand waqf and do not involve themselves in waqf. Therefore, it is the responsibility of MAIWP and other waqf institutions in the Federal Territory to promote it in various ways. Among them, the use of digital platforms needs to be further improved and providing a waqf application that is easy to access. Apart from that, cooperation with corporate and NGOS both domestically and abroad needs to be further improved. The collaborations with corporate and NGOs not only can exchange opinions and ideas, it can even attract investment in waqf and further encourage cooperation between the two.

In addition, perhaps MAIWP can boost waqf practices in the Federal Territory by diversifying the latest waqf products. For instance, they can implement gold waqf in this region. most states such as Selangor and Pulau Pinang have implemented this gold endowment and it has received favorable response from the communities of their respective states. As we can see, the Selangor Waqf Corporation implements this gold waqf to diversify the ways and methods for the general public to implement waqf. They also have a target group to implement this gold waqf. Besides, Among the interesting waqf products that have been implemented by the state of Perak is the boat waqf. The waqf boat aims to improve the living and economic standards of fishermen, especially coastal fishermen. In Federal Territory, waqf boat can be implement in the area of Labuan due to its location along the coast and the sea. Plus, this practice of waqf not only needs to be practiced among the Muslim community, but it can also be implemented by non-Muslims because the benefits of this waqf are for all communities regardless of religion or race.

Lastly, a recommendation for individual. As a caring individual and community, we must be aware on the practice of waqf and improve understanding on waqf. Of course, there are now many platforms available for us to get accurate information and knowledge sources through existing technology. Our contribution in the practice and activities of this waqf is needed. Apart from contribute by giving waqf either property or cash, we can also make contribution by encourage others to practice waqf. Waqf is seen not only to give lasting rewards to the individual, but it can generate the national economy in addition to helping the needy.

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