EDUCATION DEVELOPMENT THROUGH WAQF¹

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ABSTRACT

In recent years, overall cost of education has been on an ever increased trend, despite intervention from the government in the form of grants and soft-loans. In general, parents and students alike face the burden of ever increasing fees to enroll in the higher education learning institutions while the education institutions themselves also face increasing costs to operate and provide quality education. If there is no pro-active measures taken to control or curtail these increasing costs, education development in Malaysia will either slow down or become an elite item which can only be afforded by the wealthier population. This will have a direct adverse and negative impact on the country’s human capital development and the quality of its population. Realizing the possible forthcoming scenarios in the current education industry, scholars and researchers have made proposals to apply the concept of waqf for education development to ensure a more affordable and sustainable education industry in the country. This paper will focus on some models for the development of higher education institutions through a waqf perspective, some of which have been successfully undertaken in the past and can also be similarly applied in the future, albeit with some variations to fit the modern-day scenarios and outlooks, and continue to enhance the education industry while simultaneously make higher education more accessible.

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INTRODUCTION

The importance of education or the quest to gain knowledge in Islam is emphasized by the very first word of the first verse revealed in the Quran, “iqra” which literally means read. This can be related to the instruction from Allah SWT for mankind to generally seek knowledge or be educated. Islam has always promoted knowledge as evident from the many revelations in the Quran on the importance of knowledge and here are some examples:

"Are those who have knowledge equal to those who do not have knowledge?!"\(^5\)

"Allah grants wisdom to whom He pleases and to whom wisdom is granted indeed he receives an overflowing benefit"\(^6\)

Prophet Muhammad PBUH has also emphasized the importance of seeking knowledge in different perspectives:

(a) Time : "Seek knowledge from the cradle to the grave."
(b) Place : "Seek knowledge even if it is as far as China."
(c) Gender : "Seeking of obligatory knowledge is a duty of every Muslim men and women"
(d) Source : “The statement of wisdom is the lost property of the believer, so wherever he finds it then he is more deserving of it”

The Prophet PBUH did not only preach on the importance of knowledge, he also set examples of promoting knowledge. In the aftermath of victory in the very first battle between the Muslims and unbelievers known as the War of Badr, one of the criteria devised by the Prophet PBUH for the release of seventy prisoners of war (POWs), was that these POWs who were literate would be set free if they teach ten Muslim children how to read and write.

\(^{5}\) Al-Zumar:9
\(^{6}\) Al-Baqarah: 269
In modern Malaysia today, education and in particular tertiary education has, over the past 25 years, mushroomed into a big industry which now earns foreign exchange to the country from the influx of overseas students. The Malaysian Government has identified higher education as an important sector with huge economic potential which is targeted to attract a minimum of 200,000 international students by 2020. This is estimated to translate into RM600 billion worth of foreign exchange into Malaysia.

One area of major concern in the pursuit of excellence in educational services in Malaysia is the ever increasing costs. Malaysia’s move away from being resourced-based primary producer since its independence in 1957 towards higher value-adding economic activities had resulted in rapid growth and sophistication as well as the inevitable escalating cost of education. The inflationary effect of increasing oil price has also contributed to the rising costs of education.

This paper will attempt to explore and advocate an active role of *waqf* in the education sector as an enabler instrument to provide sustainable models to achieve the objective of high quality and excellence in the delivery of higher education while simultaneously making it more accessible by countering the effects of high costs and inflation.

**THE AUTHORITY ON RELIGIOUS AFFAIRS, INCLUDING WAQF, IN MALAYSIA**

Malaysia is a federation of 14 smaller regions known as States, each with their own local governments that possess certain administrative autonomy. The incorporation of Malaysia was established under a common master legal framework known as the Federal Constitution of Malaysia, which binds all of these States as components of the country of Malaysia. The Federal Constitution recognizes that there are many religions practiced in Malaysian but Islam is stated as the official religion of Malaysia.

9 of the States have monarchy leaders known as Sultans and amongst these Sultans; one is elected as the King of Malaysia (*Duli Yang Maha Mulia Yang di-Pertuan Agong*) for a tenure of 5 years. Under the Federal Constitution, the authority on Islamic religious affairs fall under the responsibility of the Sultans, and under the respective States Enactments, these administrative powers are delegated to the State Islamic Religious Councils (*Majlis Agama Islam Negeri* or...
MAIN). For the remaining 5 States which do not have a monarch, the head of Islam is HRH the King of Malaysia and in the same manner, these administrative powers are delegated to the respective MAINs. For instance, Majlis Agama Islam Wilayah Persekutuan (MAIWP) is the religious council with administrative authority on Islam in the Federal Territory of Malaysia whereby the ultimate Head of Islam is HRH the King.

By virtue of this administrative delegation of power, MAIN is the sole trustee of waqf in their respective States. Therefore, going back to the above example, MAIWP is the sole trustee on the management of waqf in the Federal Territory of Malaysia.

**THE ESTABLISHMENT OF JAWHAR AND YAYASAN WAQAF MALAYSIA (YWM)**

On 27th March 2004, the Federal Government of Malaysia (hereinafter referred to as Government) formed Jabatan Wakaf, Zakat dan Haji, or better known as JAWHAR, under the Prime Minister’s Department with the aim of harnessing the potential of waqf, zakat and mal and assisting the MAINs to realize these potential in a systematic and effective manner. JAWHAR is not an authority but rather is an active complimentary agency which aims to coordinate and facilitate the development of waqf, zakat and mal in Malaysia and also undertakes waqf development projects which are funded by the Government. The completed waqf development projects are handed over to the MAINs as the custodian in their capacity as the sole trustee for waqf in Malaysia.

Subsequently on 25th March 2006, in a meeting of the National Baitulmal Coordination Committee which was organised by JAWHAR and participated by the MAINs, the committee unanimously resolved on the need to establish a national waqf entity to assist the MAINs in managing waqf affairs. Following this resolution and after execution of its trust deed, JAWHAR established Yayasan Waqaf Malaysia (YWM) on 23rd July 2008 as the national body to unite and harness waqf resources while simultaneously complementing the MAIN’s efforts in achieving sustainable waqf developments so as to ensure continuous benefit to the intended beneficiaries, the waqif or benefactor and the society in general.

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8 Translated as Malaysian Awqaf Foundation
The principle purposes of the establishment of YWM are:

a) To facilitate consolidation and mobilization of *waqf* resources; and

b) To collaborate with MAINs to develop *waqf* assets in Malaysia and ensure continuous benefits accrue to the intended beneficiaries, *waqif* and society in general.

**WAQF DEVELOPMENTS UNDERTAKEN BY JAWHAR AND YWM**

Under the 9th Malaysia Plan, JAWHAR was granted a total allocation of RM256.5 million specifically to undertake 24 *waqf* projects. This marked the first time such a concerted and coordinated effort on *waqf* development was undertaken by the Government. Out of the 24 projects, 19 involve physical development projects whereas 5 are non-physical projects, including the establishment of YWM.

![Diagram](image)

**Illustration 1** Physical *waqf* development model as undertaken by JAWHAR in partnership with MAINs

The physical development projects represent a smart partnership between JAWHAR and the MAINs whereby JAWHAR is the developer and funder of certain agreed development and the MAIN involved provide the land. During the construction period, JAWHAR and the MAIN involved will execute a simple caveat charge on the land and JAWHAR will channel the required development funding. Upon completion of the development, this caveat will be cancelled and the
enhanced land with the completed development will be returned to the respective MAIN. Under this arrangement, the Government via JAWHAR undertake a development project without the need to acquire land while the MAIN involved receive a newly productive *waqf* asset in the form of the original land which has been enhanced with new building premises. This partnership is shown in **Illustration 1** above.

There are no specific development themes but the *waqf* development under JAWHAR’s initiative broadly covers 5 areas which are education, economy, healthcare, religious and shelter (accommodation). It is important to note that this JAWHAR initiative does not overlap with other types of *waqf* development undertaken by other agencies or authorities such as the building of mosques. Among the physical development undertaken by JAWHAR are as summarized below.

**Waqf Development for Education**

1) **Maahad Al-Mashoor Al-Islami Education Complex in Balik Pulau, Penang**

   ![Maahad Al-Mashoor Al-Islami Education Complex](image)

   This is an integrated development comprising academic, administration and hostel (both for male and female students) facilities in addition to ancillary facilities such as assembly and dining halls, security guard house, covered parking and recreational components, all built to accommodate 1,000 students and provide a conducive environment for its students. The development cost is RM42 million.
Waqf Development for Economic Returns

2) Pantai Puteri Hotel (JAWHAR-MAIM), Tanjung Kling, Melaka

A commercial 3-star hotel with 87 rooms and equipped with amenities such as a big ballroom, function rooms, coffee house and swimming pool. This development costs RM25 million and was returned to Majlis Agama Islam Melaka (MAIM) upon completion. It is presently managed by YWM in an arrangement where MAIM receives RM20,000 per month net of ownership levy’s such as assessment and quit rent, which is a big improvement from the maximum RM500 per month returns from this site prior to this development.

3) Seri Warisan Hotel (JAWHAR-MAIPk), Taiping, Perak

A commercial 3-star hotel, built in 2 phases with the first phase completed comprising 45 rooms and amenities such as a large banquet hall, function rooms and cafe in addition to the spacious designed rooms for the guests’ comfort. This hotel was returned to Majlis Agama Islam & Adat Melayu Perak (MAIPk) on May 2012. Presently managed by YWM with MAIPk receiving income of RM100,000 per annum. This hotel together with the base foundation work for the next development phase costs RM16 million.
4)  **Waqf Hotel Kuala Terengganu (to be named), Kuala Terengganu, Terengganu**

The flagship hotel development on waqf land by JAWHAR comprising 180 rooms, a grand ballroom, function rooms, male and female swimming pools and coffee house. With a development budget of RM42 million, this hotel is slated for completion by December 2012 and will be managed by YWM in partnership with Majlis Agama Islam dan Adat Melayu Terengganu (MAIDAM). The hotel’s commercial name will be decided by MAIDAM, JAWHAR and YWM.

5)  **Commercial Shop-Office Development in Ipoh, Perak**

The development of 4 adjacent units of double storey shop-office buildings in Tambun, Ipoh, Perak to provide commercial opportunities on a waqf land which is strategically located with direct frontage access to a busy main road at a development cost of RM1.3 million and has been completed and handed over to MAIPk.

**Waqf Development for Healthcare**

6)  **Integrated Hemodialysis Complex, Batu Pahat, Johor**

Developed at a cost of RM8 million, this complex houses a 38-bed dialysis capacity together with the supporting facilities for treatment, doctors’ office, nurses and administration office, reverse-osmosis equipment and specialized disposal area in addition to normal amenities and a multi-purpose hall, a dining hall and small-business premises.
Waqf Development for Religion

7) Al-Saadah Complex for New Muslim Converts in Seremban, Negeri Sembilan

Built at a cost of RM7.7 million, with RM4.5 million funding from JAWHAR, this complex houses 10 female hostel rooms, 10 male hostel rooms, 4 rooms for couples and/or missionaries, 3 lecture halls, a dining hall and a 300 capacity prayer hall. This centre was specifically built to give support and provide opportunities to converted Muslims to learn and appreciate Islamic religious knowledge.

Waqf Development for Shelter

8) Women Shelter in Taman Perling Mosque, Johor Bahru, Johor

This development provides shelter and accommodation for victimized women as well as religious classes and training. Its facilities include 17 single rooms, 5 double rooms, a warden house, office, counseling room, meeting room, prayer room, a child care centre, a dining hall and training classes in addition to normal administrative facilities and amenities.

9) Female Orphan Hostel Darul Aitam Wal Masakin Sultanah Haminah binti Hamidon, Alor Setar, Kedah

This development was fully funded by JAWHAR at the cost of RM2 million. The orphanage was built for housing 50 school-going female orphans to provide a conducive
environment with hostel rooms, infirmary, dining hall, prayer room, warden quarters and administrative facilities besides other amenities.

Apart from JAWHAR’s *waqf* development projects, YWM has also been granted RM20 million in 2010 to develop small-scaled projects as enhancement to *waqf* assets, mostly in the compound of strategically located mosques, all over the country. YWM undertook the development of small business premises in 69 locations with good access to the main road and visible to the main traffic and suitable for the operation of small-scaled business. Among the projects developed by YWM are:

a) Community *Waqf* Bazaar, Masjid Al-Hasanah, Bandar Baru Bangi, Selangor  
b) Community *Waqf* Bazaar, Masjid Jamek Kajang, Kajang, Selangor  
c) *Waqf* Mart operating in a similar model to Kedai Rakyat 1Malaysia, Masjid Taman Panchor Jaya, Seremban, Negeri Sembilan  
d) Souvenir Kiosk, Masjid Putra, Putrajaya  
e) Souvenir Kiosk, Masjid Negara, Kuala Lumpur

In addition, the Government has approved a further RM30 million in allocation to YWM to undertake similar projects on existing *waqf* assets in 2013. YWM chose to develop *waqf* premises in mosques’ compounds in order to make use of existing basic infrastructures such as access roads, parking spaces and utilities supply. Unlike the days of the Prophet *PBUH* and during the golden era of Islamic Caliphs, most of the mosques nowadays are only utilized during congregational prayers. Mosques should be utilized as community activity centre for education community services as well as business. YWM intends to focus on other community needs in the next phase of its *waqf* development in 2013, to restore the mosques’ central role in the daily lives of the community residing within the vicinity of mosques.

All the above projects and funds allocation illustrate the Government’s serious efforts in the development of *waqf* in Malaysia in view of *waqf*’s potential role in the modern society, based on the successes in the past. In a country with a very large Muslim population, it is vital for Malaysia’s Muslim population to be more proactive and participate in *waqf* actively to supplement the Government’s efforts in a collective manner and overcome the main constraint of
developing *waqf* - limited funds at the disposal of the MAINs. Cash *waqf* is a powerful enabler for Malaysian Muslims, as proven by past successes and as illustrated in the following pages.

**THE REAL PROBLEM OF RISING EDUCATION COSTS**

"Tuition and fees at public universities have surged almost 130% over the last 20 years -- while middle class incomes have stagnated" (USA College Board: 2011)

The cost of education, in particular higher and tertiary education, has been on an ever increasing trend and in countries such as the USA, where it has been well documented that the rate of increase in higher education costs has consistently outstripped the rate of inflation. The situation is no different in Malaysia, and this trend is worrisome because the increasing cost of higher education may lead to less people being able to afford higher education and may be forced to forgo it altogether. In other words, higher education will be an elite product which can only be afforded by the wealthy.

An article was published on 18 September 2010 in *The Star* newspaper estimated that parents need to start saving between RM260 to RM404 per month from the age their child is 1 year old to be able to have sufficient savings for this child to attend a higher education institution by the age of 19 years old, as shown out in **Illustration 2**.
THE MALAYSIAN GOVERNMENT’S EFFORTS TOWARDS MAKING HIGHER EDUCATION ACCESSIBLE

The Malaysian Government, aware that education is important for the future development of Malaysia, established National Higher Education Fund Corporation, or better known as PTPTN\(^9\), under the National Higher Education Fund Corporation 1997 (Act 566) which became effective on 1\(^{st}\) July 1997 to provide and manage a loan scheme to Malaysian undergraduates who pursue higher education at public or private universities in Malaysia. As this is a revolving fund, PTPTN’s responsibilities also involve collection of repayments from the borrowers after they have graduated and obtained employment so that the funds can be recycled and re-disbursed as new study loans to other students.

\[\text{“The Government will continue to provide affordable education and high quality to students, while balancing the needs of the people by fostering future talents. Approximately 85 to 95 percent of the cost of education has been subsidized by the government while the student living expenses were factored into the PTPTN loan.” (Najib Razak, Prime Minister of Malaysia: 2012)}\]

In addition to establishing PTPTN, the Government has been increasing its expenditure in education, as evident in each successive National Budgets tabled in parliament, and summarized below.

a) **Budget 2010**

Government allocated RM13,023,022,500 and this allocation for higher education experienced a reduction of 7.7 per cent compared to 2009, but in terms of its share in the total government expenditure, the percentage remained almost unchanged in 2010 compared to 2009, i.e. 6.6 per cent in 2009 and 6.8 per cent in 2010. This reduction in the allocation for 2010 could not be avoided as the government needed to reduce its fiscal deficit in order to stabilise the economy (UNESCO: 2012). RM30 billion was allocated for primary and secondary education, to help students and scholarships, the construction

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\(^9\) Perbadanan Tabung Pendidikan Pengajian Tinggi
of 80 new primary and secondary schools, government-aided religious schools, Chinese and Tamil schools and Missionary schools.

b) **Budget 2011**

RM29.3 billion operating budget for the Ministry of Education, RM10.2 billion for the Ministry of Higher Education and RM627 million for the Ministry of Human Resources.

c) **Budget 2012**

RM50.2 billion allocated to the education sector which also included tuition fee assistance to civil servants, including 5,000 master's degree and 500 PhDs as well as book vouchers to all Malaysian students in public / private institutions, matriculation and form six.

However, there are other aspects of the modern Malaysia which are also important and the Government’s priorities have to be spread over several strategic sectors in addition to education. The Malaysian public can take affirmative action, via *waqf*, to supplement the Government’s endeavors and make education more accessible to all. We have seen, from historical evidence and literature by scholars and academicians, that *waqf* can play an active and successful role in establishing educational institutions which led the way in making education more accessible to all.
WAQF IN EDUCATION

Waqf endowment became a pillar in the religious, social, cultural, scientific, economic and political life of Islamic society. Even non-Muslims in Muslim countries established waqf for the benefit of their communities. For every conceivable enterprise of social benefit there was a waqf. There were waqf for mosques, universities, schools, hospitals, orphanages, houses for the poor, food for the poor, the blind, battered / abused women, soup kitchens, wells, aqueducts, fountains, public baths, watchtowers, bridges, cemeteries, salaries, pensions, guest houses, libraries, books and animal welfare. (Imtiaz: 2009)

Researchers and scholars have put forward various proposed models of the waqf concept in application for education development and the provision of education facilities which is more affordable and sustainable in the long run. The world-famous Al-Azhar University is a proof of a successful application of waqf in education which started centuries ago and is still on-going and looks likely to stay in the future. The Al-Azhar operational model combines economic waqf with education waqf to make its education facilities and services more accessible so that it can effectively carry out its illuminating role for the whole Islamic world. There are several forms of waqf applications which can be utilized to serve as a sustainable model in providing affordable education yet retaining the required standards befitting quality higher education.

Cash Waqf

In a cash waqf, cash is collected from the public with the intention of pooling the collected funds and utilise it to acquire a permanent asset or investing the pooled funds and channel the returns from this investment towards waqf-based utilisation. Cash waqf is considered as the easiest means for the public to join a waqf scheme because it only involves the donation of money physically or via deduction from their bank account instead of giving a fixed or immovable asset which involve the transfer of title deeds or registered ownership besides being costly and thus could not be afforded by many. The cash waqf and proceeds from waqf investment / properties can be used for college, school and madrasah developments or for students’ accommodation /
hostels and also for administration expenses. As Affandi (2010) said waqf possesses two dimensions: religious and social economic dimension. Religious dimension means that waqf is regarded as Muslim obligation to Allah which carries reward in the hereafter.

Kahf (2007) said that before the 20th century, the primary priority of cash waqf allocation was dedicated for the prosperity of mosque, its maintenance and management cost. Second priority is dedicated for education sector which includes salary for teachers and provision of book. Third priority is for the needy, orphan and detainee. Fourth is mainly for health sector which includes maintenance costs for hospitals, salary of medical doctor and other supporting staff. According to what Kahf said, cash waqf allocation before the 20th century is divided into four, and education falls under second category, so that the priority for education is there. Actually what Kahf said is agreeing to a maxim which tells the story of the success of the Ottoman government in administering the waqf as Birol Baskan (2002) quoted;

“a person would have been born in a waqf house, slept in a waqf cradle, eaten and drunk from waqf properties, read waqf books, been taught in a waqf school, received his salary from a waqf administration, and when he died, placed in a waqf coffin and buried in a waqf cemetery”

Under this model, the cash waqf is collected or undertaken by an administrator or muttawalli, which can be the respective MAINs, or a competent person or body appointed by the respective MAINs, to undertake the cash waqf collection and management. The waqf scheme itself can take several forms such the following proposals.

(a) **Cash Waqf for Education Development**

The muttawalli establishes a specific cash waqf to be collected from the public. The muttawalli is responsible for the management of the pooled cash waqf fund until the collected amount is sufficient to develop the education premises. Once the collection reaches its target, the muttawalli undertakes the intended development on an agreed location and upon completion, this development becomes a waqf asset whereby its cost of development need not be recouped or recovered. The administrator of this education facilities can afford to charge education fees without factoring the need to repay the
development costs and merely target to meet the operational and maintenance costs only. This model is as shown in Illustration 3 below:

Illustration 3  Establishment of a specific cash waqf for education development, whereby the development costs becomes a waqf and need not be repaid or recovered from the fees charged to students

(b)  Cash *Waqf* for Student Accommodation or Hostel

This is a similar model to (a) and in Illustration 3 above, the difference being the cash *waqf* is established to build accommodation or hostel for students. Majlis Agama Islam Negeri Johor had successfully implemented this kind of cash *waqf* where a successful cash *waqf* campaign funded the purchase of a 6-storey building which can accommodate 80 students in Cairo for students who attend the Al-Azhar University.
(c) **Waqf Investment from Proceeds of Cash Waqf to Subsidise Education Administration**

This application of *waqf* is similar to the Al-Azhar operational model whereby a cash *waqf* is established for the purpose of investing in economic activities and / or asset with the aim of obtaining net returns which are channeled towards full or partial payment of the operational costs of a particular higher education institution, so that this institution can in turn charge lower fees to its students. In an ideal scenario, the economic assets can grow to a certain size whereby the net returns generated can completely pay for the administration costs of its companion education institution that only token fees are charged for its education courses.

This concept is diagrammatically shown in **Illustration 5** below.
(d) **Initial Sukuk Issuance for Development Financing and Subsequent Redemption by Cash Waqf**

According to Mohd Tahir Sabit (2006), sukuk is one of the alternatives to develop waqf properties to facilitate a more affordable and sustainable education. To overcome the problem of getting enough funds for waqf development projects, various financing mechanisms have been used by waqf managers including hukr, ijaratain, istibdal and sukuk musyarakah. A variation of (a) above but with the initial development funded by the issuance of debt instrument such as sukuk and the simultaneous establishment of a specific cash waqf to redeem or repay the sukuk. This model may help ease Government spending on developing education infrastructure premises as the Government is only issuing a guarantee to a long-term sukuk issuance to give it a high credit rating, lowering the risk to prospective investors and making the sukuk issuance a very attractive instrument.

This model would facilitate much earlier commencement of the development instead of having to wait for sufficient collection of a cash waqf in model (a) above, and the cash waqf collection can also be accelerated as the tangible and physically developed premises
can be seen by the public and thus much easier to promote compared to a planned development which will only take off after sufficient collection is made.

Although this is a considerably more complex model which combines debt instrument financing and *waqf* collection to eventually redeem the debt, it can be realised with the participation of the Government as a guarantor to the debt instrument issuance. This composite model is shown in **Illustration 6** below.

![Illustration 6](image)

**Illustration 6** Establishment of a specific cash *waqf* for repayment of debt raised to finance the development of a higher education institution, upon full payment of the debt, the developed education premises becomes a *waqf* asset

(e) *Akademi Kulinary Terengganu: The Strategic Partnership between YWM, MAIDAM and GiatMara*

Akademi Kulinary Terengganu (translated as *Terengganu Culinary Academy*) is a development on *waqf* land in Marang, Terengganu, which is under the administration of Majlis Agama Islam dan Adat Melayu Terengganu (MAIDAM). Financed by YWM, the facilities include 2 classrooms cum fully-equipped kitchen, 2 hostel dormitories, a prayer hall, dining area, a guard house, warden’s quarters and administrative centre to provide maximum learning via practice within a 6-month session. Built at a cost of RM2.5million,
this facility commenced its operations on 2 September 2012 and is presently managed by Perbadanan Wakaf Nasional Berhad (PWNB), a wholly-owned subsidiary company of YWM.

The operation of this facility represents a 3-way smart partnership between YWM, MAIDAM and GiatMara, with each party concentrating on their strengths in this venture. The learning syllabus, teaching and graduate certification is provided by GiatMara, an institution renowned for its experience and expertise in hands-on vocational training programmes. MAIDAM provide the operational funding via its zakat funds while YWM / PWNB manages the facility and handles the student intake, from the list of asnaf or their children provided by MAIDAM.

The main objective of this venture is to provide comprehensive hands-on training to build marketable skills and obtain an accredited vocational certificate in the food preparation industry. The training methodology puts more emphasis on the skills-building aspect of the learning experience via 80% hands-on practical lessons and only 20% on theoretical lessons. The priority is to train asnaf daughters or sons so that they are equipped with the necessary skills and knowledge to start a better life than their parents and avoid falling into the same poverty trap. With certification from GiatMara, the graduate trainees are eligible to participate in entrepreneur development programmes undertaken by Mara to become new entrepreneurs, in addition to other follow-up programmes by GiatMara.

A summary of the development and operation of this facility is provided in Illustration 7 below.
CONCLUSION

Education has become an important element in building the human capital and the progress of a nation or society, as has been emphasised by the revelations in the Quran and the Prophet Muhammad *PBUH* centuries ago. However, institutions providing higher education and the students (and also the parents) attending higher education face ever increasing costs in the quest for providing and receiving education. In Malaysia, despite the Government’s efforts and initiatives, the inflationary pressure on education is inevitable and thus, cannot be avoided.

Waqf is able to provide new opportunities and avenues for the public or society to take an active role collectively and assist in the effort to provide sustainable and quality education yet executed and delivered in an affordable manner. A successful implementation of the cash waqf, provide ways to directly reduce the chargeable fees to students and / or subsidise the cost of providing education which can be passed-on to students in the form of lower fees, or if completely successful, only token fees being charged for higher education courses.
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