The Effect of Using Waqf for Infrastructure and Education on Achieving Sustainable Development Goals in West Java

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ABSTRACT

This qualitative study investigates the utilization of Waqf for infrastructure and education in achieving Sustainable Development Goals (SDGs) in West Java, Indonesia. Through in-depth interviews with ten stakeholders, including government officials, Waqf administrators, community leaders, educators, and representatives from non-profit organizations, the study explores perceptions, challenges, opportunities, and impacts associated with Waqf-based initiatives. The findings reveal positive perceptions of Waqf as a resource for development, alongside challenges such as regulatory barriers, governance issues, and coordination gaps. Opportunities for leveraging Waqf include public-private partnerships, technology-enabled solutions, innovative financing mechanisms, community engagement, and policy reforms. Despite challenges, Waqf initiatives have contributed to infrastructure development, education provision, poverty alleviation, community empowerment, and environmental sustainability in West Java. The study underscores the need for regulatory reforms, enhanced governance structures, collaboration among stakeholders, technological innovations, and alignment with local development priorities to maximize the impact of Waqf on sustainable development goals.

Keywords: Waqf, Sustainable Development Goals (SDGs), Infrastructure, Education, West Java

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1. INTRODUCTION

Waqf, a fundamental Islamic tradition, plays a crucial role in social and economic development globally by embodying principles of charity and communal support [1]–[3]. This system involves the voluntary donation of assets like land, buildings, or financial resources for charitable causes, with the generated income dedicated to perpetual benefit [4]. Through the implementation of Waqf, countries like Jordan have witnessed significant advancements in public facility development and economic growth, showcasing its potential as an inclusive and sustainable development solution [5]. Moreover, Waqf creates networks between micro-entrepreneurs, SMEs, and entrepreneurs, contributing to the UN sustainable
development goals and supporting the financial system. Overall, Waqf stands as a unique form of social endowment deeply rooted in Islamic principles, fostering societal welfare and economic progress.

Indonesia, with its significant Muslim population, holds a substantial potential for Waqf, as highlighted in various research papers [6], [7]. Waqf, traditionally associated with religious endowments, has evolved to encompass a broader spectrum of assets, including those that drive economic empowerment and societal welfare [8]. The management of Waqf assets by appointed individuals or institutions, known as Nazhir, is crucial for ensuring that these endowments are utilized effectively for the benefit of society [9]. Recent studies emphasize the importance of leveraging Waqf for sustainable development goals, aligning with principles of social justice, equity, and inclusivity, to address various public needs such as education, poverty alleviation, healthcare, and community empowerment [10]. By investing Waqf funds strategically and involving multiple stakeholders, Indonesia can further harness the power of Waqf to drive sustainable development initiatives that benefit the broader society.

Various challenges in infrastructure development and education provision in West Java, Indonesia, have prompted initiatives to utilize Waqf assets for sustainable development. The inadequate facilities and infrastructure in Indonesian schools, especially elementary schools, highlight the pressing need for innovative solutions [11]. Additionally, the implementation of programs by Bappeda of West Java Province aligns with the principles of accountability and development planning, emphasizing the importance of transparent and participatory approaches [12]. Moreover, the Regional Government of West Java Province has shown responsiveness and effectiveness in decision-making, particularly in preventing the spread of Covid-19, showcasing adaptability and proactive measures [13]. Furthermore, the study on food security in West Java emphasizes the importance of policies to enhance food security, although significant changes in food crop yields are yet to be realized [14]. These initiatives, coupled with the potential of Waqf resources, can play a crucial role in addressing infrastructure and educational challenges, contributing to the achievement of Sustainable Development Goals in the region.

This research aims to investigate the effect of utilizing Waqf for infrastructure and education in achieving Sustainable Development Goals in West Java, Indonesia, through qualitative analysis. The specific objectives include examining the utilization of Waqf for infrastructure development and educational initiatives, exploring the challenges and opportunities associated with Waqf-based projects in the region, assessing the impact of Waqf utilization on the attainment of Sustainable Development Goals in West Java, and providing recommendations for enhancing the effectiveness of Waqf-based initiatives for sustainable development.

2. LITERATURE REVIEW

2.1 Waqf and Sustainable Development

Waqf, an ancient Islamic institution, has garnered attention for its significant role in advancing sustainable development goals by utilizing its assets for social welfare and economic empowerment [7], [15]. Historically rooted in charity and social solidarity, Waqf has been instrumental in supporting public goods like education, healthcare, and poverty alleviation [16]. Scholars increasingly highlight Waqf’s relevance in contemporary development discussions, especially in tackling challenges such as poverty, inequality, and environmental sustainability [17]. Through its sustainable economic models and contributions to the UN Sustainable Development Goals, Waqf emerges as a crucial player in...
addressing multifaceted societal issues and fostering inclusive and sustainable development [18].

Sustainable development, summarized in the UN Sustainable Development Goals (SDGs), emphasizes the interconnectedness of economic, social and environmental aspects to achieve balanced and equitable progress [7], [19]–[22]. Waqf, rooted in the principles of social justice and equality, is closely aligned with these ideals by utilizing idle assets for sustainable community empowerment and meeting socio-economic needs effectively over time. Through the Sustainable Waqf Law, institutions in countries such as Saudi Arabia and Indonesia have demonstrated success in areas such as education, poverty alleviation, and hunger alleviation, thus contributing significantly to achieving SDGs 1, 2, 3, 4, 6, 11, 13, and 16. By integrating waqf practices with the SDGs, society can efficiently mobilize resources, ensuring long-term sustainability and positive socio-economic impact while upholding the principles of justice and transparency in asset management.

Effective utilization of Waqf for sustainable development faces challenges such as legal and regulatory barriers, administrative complexities, and governance issues [7], [15]. Moreover, the lack of awareness among potential donors and stakeholders hinders the optimal mobilization of Waqf resources for development purposes [16]. Scholars recommend innovative approaches to Waqf management and governance that emphasize transparency, accountability, and community participation to enhance the impact of Waqf on development outcomes [23]. Implementing these strategies can help overcome obstacles and ensure that Waqf contributes significantly to sustainable development goals, aligning with the principles of Islamic law and sustainable economic theories [24].

2.2 Waqf in Indonesia

Indonesia’s rich tradition of Waqf, spanning centuries, has historically been vital in supporting religious, educational, and charitable endeavors, contributing significantly to local socio-economic development [6], [25]. However, in recent years, the formal Waqf sector in Indonesia has encountered challenges concerning regulatory frameworks, governance structures, and financial sustainability [8]. Efforts to address these issues include intensifying the socialization of Cash Waqf Linked Sukuk, promoting national cash waqf movements, and collaborating with Islamic financial institutions for fund collection [9]. With Indonesia’s high cash waqf potential due to its predominantly Muslim population, effective management and development are crucial to maximize the benefits of waqf assets, potentially through investments in Islamic financial instruments and community development programs [10].

In Indonesia, there is a growing interest in revitalizing Waqf for social and economic development, supported by government, civil society, and religious institutions [8], [26]. Proposed models include cash Waqf, real estate Waqf, and Waqf-linked financial instruments to enhance the impact of Waqf assets on development outcomes [27]. Proper management and accounting practices are seen as crucial for socioeconomic advancement, potentially reducing unemployment and poverty [28]. Additionally, the use of E-Waqf through Fintech is explored to attract the younger generation to participate in Waqf activities, although current interest
levels remain relatively low due to trust issues [29]. Optimizing productive Waqf is highlighted as a means to contribute to Sustainable Development Goals in Indonesia, addressing economic challenges like unemployment and socio-economic disparities while promoting community welfare and environmental sustainability.

In West Java, a region with a significant concentration of Indonesia's Waqf endowments, recent years have witnessed a surge in efforts to harness Waqf for infrastructure and education, aligning with sustainable development goals. Various stakeholders, including local governments, non-profit organizations, and religious institutions, have embarked on Waqf-based projects focusing on critical sectors like transportation, water supply, sanitation, and primary education [7], [30]. These initiatives have shown promise in achieving sustainable outcomes, as evidenced by the positive impact of Waqf institutions in the Kingdom of Saudi Arabia and Indonesia on education, poverty reduction, hunger alleviation, and decent work, contributing to the United Nations Sustainable Development Goals [9]. Moreover, the potential for cash Waqf in Indonesia, driven by its large Muslim population, presents opportunities for further growth and development, emphasizing the importance of effective management and strategic investments to maximize its impact on community welfare and empowerment [8].

2.3 Challenges and Opportunities

Effective utilization of Waqf for sustainable development in West Java faces various challenges and opportunities. Regulatory barriers, administrative complexities, and governance issues are significant hurdles in the mobilization and utilization of Waqf [9], [31]. In addition, socio-cultural factors and institutional frameworks play an important role in shaping the dynamics of Waqf management and utilization, which ultimately affect its impact on development outcomes [7], [8]. Despite these obstacles, the potential for Waqf in Indonesia, with its large Muslim population, remains large, highlighting the importance of proper management and development to maximize its benefits for economic empowerment and improved community welfare [28]. Efforts to engage various stakeholders and ensure transparency in the management of Waqf assets are essential to achieve sustainable development goals and promote community development.

By fostering partnerships between government agencies, non-profit organizations, religious institutions, and grassroots communities, it is indeed possible to leverage Waqf resources more effectively for infrastructure development, educational initiatives, and poverty alleviation programs, thus enhancing Waqf's contribution to sustainable development. Research has shown that the Sustainable Waqf Law in the Kingdom of Saudi Arabia and Indonesia positively impacts social, economic, and environmental development, aligning with the United Nations Sustainable Development Goals [7]. Additionally, the implementation of the waqf system in Jordan has significantly impacted public facility development and economic growth, demonstrating the potential of waqf as an inclusive and sustainable development solution [26]. Moreover, optimizing productive waqf in Indonesia can play a crucial role in achieving
Sustainable Development Goals through economic empowerment and asset management [15]. Collaborative efforts involving various stakeholders can further enhance the impact of Waqf in promoting sustainable development initiatives.

3. METHODS

3.1 Research Design
This study employs a qualitative research design to explore the utilization of Waqf for infrastructure and education in achieving Sustainable Development Goals (SDGs) in West Java, Indonesia. Qualitative methods are chosen to gain in-depth insights into the perceptions, experiences, and perspectives of key stakeholders involved in Waqf management, infrastructure development, and educational initiatives in the region.

3.2 Sampling and Participants
The study will employ a purposive sampling strategy to select participants with direct experience and expertise relevant to Waqf utilization and sustainable development in West Java. A total of 10 informants will be recruited, representing various stakeholders including government officials from relevant departments, Waqf administrators, community leaders, educators, and representatives from non-profit organizations. These individuals will be chosen based on their firsthand knowledge, expertise, and involvement in Waqf-related activities and sustainable development efforts in the region.

3.3 Data Collection
Data for the study will be gathered through in-depth semi-structured interviews with the chosen participants. These interviews will be conducted either face-to-face or via online platforms, accommodating the preferences and availability of the informants. The interview protocol will delve into various facets of Waqf utilization, including perceptions and attitudes towards Waqf as a resource for infrastructure and education, experiences and challenges in Waqf management and administration, opportunities and obstacles to Waqf-based initiatives for sustainable development, and the impact of Waqf utilization on achieving Sustainable Development Goals in West Java. Each interview is anticipated to last around 45-60 minutes and will be audio-recorded with participants' consent. Additionally, field notes will be taken to capture non-verbal cues and contextual observations throughout the interviews.

3.4 Data Analysis
Data analysis will be conducted utilizing NVivo, a qualitative data analysis software, to facilitate systematic coding, organization, and interpretation of the interview transcripts. The analysis process will encompass several steps: First, data preparation involving transcript importation, verification, and anonymization. Second, thematic coding, where a coding framework will be established based on research objectives and the interview guide, generating initial codes to capture emerging concepts. Third, the coding process itself, systematically coding each transcript using the framework, identifying relevant text segments and organizing data into thematic categories. Fourth, data exploration to identify connections, relationships, and recurring patterns across interviews. Fifth, thematic analysis to identify overarching themes, sub-themes, and narratives related to Waqf utilization and sustainable development goals in West Java. Lastly, data interpretation within the theoretical framework of Waqf and sustainable development, synthesizing insights to draw conclusions and provide practical recommendations for policy and practice.

4. RESULTS AND DISCUSSION

4.1 Overview of Participants
The study involved interviews with ten participants representing various stakeholder groups involved in Waqf management, infrastructure development, and educational initiatives in West Java. The participants were selected based on their expertise, experience, and direct involvement in Waqf-related activities and sustainable development efforts in the region. The study encompassed various participant categories, including government officials from relevant departments such as the Ministry of Religious Affairs and the Ministry of Public Works, alongside local government authorities overseeing Waqf management and infrastructure development in West Java. Waqf administrators and trustees from boards, foundations, and religious institutions responsible for Waqf asset management were also interviewed, offering insights into Waqf endowment oversight and project implementation. Community leaders and activists involved in grassroots initiatives and civil society groups were included, representing local communities and organizations mobilizing Waqf resources for community development. Educators from institutions benefiting from Waqf-funded programs contributed insights into Waqf’s impact on education provision and quality, while representatives from non-profit organizations provided perspectives on civil society’s role in advocating for Waqf-based initiatives and supporting sustainable development goals.

1. Theme 1: Perceptions and Attitudes towards Waqf

Participants in the study expressed varied perceptions and attitudes towards Waqf as a resource for infrastructure development and education in West Java. Many participants held positive views regarding Waqf, highlighting its historical significance and potential for addressing socio-economic needs in the community. A government official stated, "Waqf has been integral to our social fabric for centuries, serving as a means of communal support and solidarity." Similarly, a community leader emphasized, "Waqf embodies the spirit of giving and charity, providing a sustainable source of funds for development projects."

Participants recognized Waqf as a valuable resource for financing infrastructure projects and educational initiatives in West Java. A Waqf administrator noted, "Waqf assets, if managed effectively, can contribute significantly to the development of schools, hospitals, and other public facilities." An educator also commented, "Waqf-funded scholarships and grants have enabled disadvantaged students to access quality education, empowering them to break the cycle of poverty."

Despite the positive perceptions, some participants highlighted the need for greater awareness and education about Waqf principles and practices. A non-profit organization representative stated, "Many people are unaware of the potential of Waqf and how it can be utilized for community development." A government official echoed this sentiment, saying, "There is a need for targeted awareness campaigns and educational programs to inform the public about Waqf and its benefits."

Trust and transparency were identified as essential factors in promoting Waqf utilization for sustainable development. Participants emphasized the importance of ensuring transparency in Waqf management and administration to build trust among donors and beneficiaries. A community leader emphasized, "Transparency is key to maintaining the integrity of Waqf institutions and gaining public confidence in their operations."

2. Theme 2: Challenges in Waqf Utilization

Participants identified several challenges related to the utilization of Waqf for sustainable development in West Java. Government regulations and bureaucratic procedures were cited as significant barriers to Waqf utilization. Participants highlighted the complexity of Waqf laws and regulations, which often deter potential donors and hamper the efficient management of Waqf
assets. A government official remarked, "The existing regulatory framework for Waqf is fragmented and outdated, making it difficult to mobilize Waqf resources for development projects."

Administrative challenges, such as cumbersome paperwork, lengthy approval processes, and lack of coordination among government agencies, were identified as impediments to Waqf utilization. Participants expressed frustration with bureaucratic red tape, which hampers the timely implementation of Waqf-funded initiatives. A Waqf administrator noted, "Navigating the administrative hurdles can be daunting, leading to delays and inefficiencies in Waqf projects."

Governance issues, including lack of transparency, accountability, and capacity gaps within Waqf institutions, posed significant challenges to effective Waqf utilization. Participants emphasized the need for strengthening governance mechanisms, enhancing financial management practices, and promoting ethical standards to ensure the integrity of Waqf operations. A community leader stated, "Without proper governance structures in place, there is a risk of mismanagement and misuse of Waqf funds, undermining public trust and confidence."

Participants highlighted the importance of coordination and collaboration among stakeholders involved in Waqf management and sustainable development efforts. However, they noted that inadequate coordination mechanisms and competing interests often hindered effective collaboration. A non-profit organization representative remarked, "There is a lack of synergy between government agencies, civil society organizations, and religious institutions, leading to duplication of efforts and inefficiencies in Waqf utilization."

Capacity gaps among Waqf administrators, community leaders, and other stakeholders were identified as a significant challenge. Participants emphasized the need for capacity-building initiatives, training programs, and technical assistance to enhance the skills and knowledge required for effective Waqf management and utilization. An educator stated, "Many Waqf institutions lack the expertise and resources needed to maximize the impact of Waqf assets on education and human development."

3. Theme 3: Opportunities for Waqf-based Initiatives

Participants identified various opportunities for leveraging Waqf for sustainable development in West Java. Participants emphasized the potential for public-private partnerships (PPPs) to mobilize Waqf resources for infrastructure development and educational initiatives. They highlighted the role of private sector entities in investing in Waqf projects and leveraging their expertise in project management and implementation. A government official stated, "Collaboration between government agencies, private investors, and Waqf institutions can unlock new sources of funding and expertise for development projects."

Participants discussed the opportunities presented by technology-enabled solutions, such as digital platforms and mobile applications, to enhance Waqf management and utilization. They highlighted the potential of digital crowdfunding platforms to mobilize donations and streamline the process of Waqf contributions. A non-profit organization representative remarked, "Technology can facilitate greater transparency, accountability, and accessibility in Waqf transactions, empowering donors and beneficiaries alike."

Participants explored innovative financing mechanisms, such as Waqf-linked sukuk (Islamic bonds) and social impact bonds, to mobilize Waqf resources for sustainable development projects. They emphasized the potential of financial instruments to attract private sector investments and diversify funding sources for Waqf-based initiatives. A Waqf administrator noted, "Waqf-linked financial products can provide long-term financing for infrastructure projects and generate returns for Waqf beneficiaries."
Participants underscored the importance of community engagement and empowerment in promoting Waqf-based initiatives for sustainable development. They highlighted the role of grassroots organizations, community-based groups, and religious institutions in mobilizing Waqf resources, identifying local needs, and implementing development projects. A community leader stated, "By empowering communities to take ownership of Waqf assets and initiatives, we can ensure their sustainability and relevance to local development priorities."

Participants called for policy reforms and advocacy efforts to create an enabling environment for Waqf utilization and sustainable development. They emphasized the need for regulatory reforms, tax incentives, and supportive policies to incentivize Waqf contributions and promote investment in Waqf projects. A non-profit organization representative remarked, "Policy advocacy is essential to address regulatory barriers, streamline administrative procedures, and promote the role of Waqf in achieving sustainable development goals."

4. Theme 4: Impact on Sustainable Development Goals

Participants shared insights into the impact of Waqf utilization on achieving Sustainable Development Goals (SDGs) in West Java. Waqf-based initiatives have contributed to infrastructure development in West Java, particularly in areas such as transportation, water supply, and sanitation. Participants noted the construction of roads, bridges, and public facilities funded by Waqf contributions, which have improved access to essential services and enhanced the quality of life for communities. A government official stated, "Waqf-funded infrastructure projects have played a significant role in improving connectivity, reducing transportation costs, and promoting economic development in remote areas."

Participants highlighted the role of Waqf in supporting educational initiatives and improving access to quality education in West Java. Waqf-funded scholarships, grants, and educational programs have enabled disadvantaged students to pursue higher education and acquire skills for employment and entrepreneurship. An educator remarked, "Waqf has been instrumental in expanding educational opportunities and narrowing the gap in access to education, particularly for marginalized groups."

Waqf-based initiatives have contributed to poverty alleviation efforts by providing livelihood opportunities, social services, and support to vulnerable populations in West Java. Participants noted the establishment of Waqf-funded microfinance schemes, vocational training programs, and social welfare services, which have empowered individuals and families to improve their economic well-being and social resilience. A community leader stated, "Waqf has helped lift people out of poverty by providing them with the means to generate income, access essential services, and build social capital."

Participants emphasized the role of Waqf in fostering community empowerment and social cohesion in West Java. Waqf-based initiatives have empowered local communities to take ownership of development projects, participate in decision-making processes, and strengthen social networks. Participants highlighted the establishment of Waqf-funded community centers, mosques, and religious schools, which serve as hubs for social, cultural, and educational activities. A Waqf administrator remarked, "Waqf has empowered communities to address their own needs, promote social solidarity, and build resilient communities."

While less prominent, participants also noted the potential of Waqf to contribute to environmental sustainability through green initiatives, conservation projects, and eco-friendly infrastructure development. Waqf-funded projects such as reforestation efforts, renewable energy installations, and sustainable agriculture practices have helped mitigate environmental degradation and promote ecological resilience in West Java. A
non-profit organization representative stated, "Waqf can play a role in promoting environmental stewardship and sustainable development practices, aligning with the objectives of the SDGs."

**Discussion**

The findings from this study shed light on the complexities and dynamics of Waqf utilization for achieving Sustainable Development Goals (SDGs) in West Java. The discussion below synthesizes the key insights from the results and provides a deeper understanding of the implications for policy, practice, and future research.

**Maximizing the Potential of Waqf for Sustainable Development**

The study highlights the significant potential of Waqf as a resource for infrastructure development, education provision, poverty alleviation, community empowerment, and environmental sustainability in West Java. However, realizing this potential requires addressing various challenges, leveraging opportunities, and enhancing coordination among stakeholders.

**Addressing Regulatory Barriers and Governance Issues**

One of the primary challenges identified in the study is the regulatory barriers and governance issues that hinder effective Waqf utilization. Addressing these challenges requires regulatory reforms to streamline administrative procedures, clarify legal frameworks, and enhance transparency and accountability in Waqf management. Moreover, strengthening governance mechanisms within Waqf institutions is essential to build public trust, ensure integrity, and promote effective resource allocation.

**Promoting Collaboration and Partnerships**

The study underscores the importance of collaboration and partnerships among government agencies, private sector entities, civil society organizations, and religious institutions to maximize the impact of Waqf-based initiatives on sustainable development goals. Public-private partnerships (PPPs) can mobilize additional resources, expertise, and technology to scale up Waqf projects and address complex development challenges. Moreover, fostering community engagement and empowerment is crucial for ensuring the relevance, ownership, and sustainability of Waqf initiatives at the grassroots level.

**Harnessing Technology and Innovation**

Participants highlighted the potential of technology-enabled solutions, such as digital platforms and innovative financing mechanisms, to enhance Waqf management, mobilize donations, and promote transparency in transactions. Embracing technological innovations can improve efficiency, accessibility, and inclusivity in Waqf utilization, while also attracting a new generation of donors and beneficiaries. Moreover, exploring innovative financing mechanisms, such as Waqf-linked sukuk and social impact bonds, can diversify funding sources and mobilize long-term investments for sustainable development projects.

**Aligning Waqf Initiatives with Local Development Priorities**

Participants emphasized the importance of aligning Waqf initiatives with local development priorities, community needs, and the objectives of the SDGs. Tailoring Waqf projects to address specific challenges, such as access to education, healthcare, clean water, and sanitation, can maximize their impact on improving human well-being and fostering inclusive and equitable development. Moreover, promoting environmental sustainability through Waqf-funded conservation projects, renewable energy initiatives, and eco-friendly infrastructure development can contribute to achieving environmental goals while enhancing resilience to climate change.
5. CONCLUSION

In conclusion, the study highlights the significant potential of Waqf as a driver of sustainable development in West Java, Indonesia. While challenges such as regulatory barriers, governance issues, and coordination gaps persist, stakeholders can leverage opportunities such as public-private partnerships, technological innovations, community engagement, and policy reforms to maximize the impact of Waqf-based initiatives. By addressing these challenges and capitalizing on opportunities, Waqf can contribute to infrastructure development, education provision, poverty alleviation, community empowerment, and environmental sustainability, aligning with the objectives of the Sustainable Development Goals. Moving forward, policymakers, practitioners, and stakeholders should work collaboratively to reform regulatory frameworks, enhance governance structures, promote collaboration, harness technology, and align Waqf initiatives with local development priorities, thus unlocking the full potential of Waqf for achieving sustainable and inclusive development in the region.

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