

Correlation of Legal Change Theory to Collection of Cash Waqf Linked Retail Sukuk in Sharia Bank

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Abstract

Indonesian waqf has enormous potential for national economic development. However, the use of waqf land is still limited to the construction of worship facilities. In October 2020 the government issued Cash Waqf Linked Sukuk Retail (CWLS Retail) to finance social programs and economic empowerment of the ummah. The Sukuk Waqf scheme was prepared by the waqf authority with the Government in order to support the development of Islamic finance and social investment in Indonesia. PT Bank Syariah Indonesia, Tbk acts as a Sharia Financial Institution Recipient of Cash Waqf (LKSPWU), in collecting Cash Waqf Linked Sukuk PT Bank Syariah Indonesia, Tbk in cooperation with Nadzir with certain terms and conditions. Retail CWLS is implemented through Islamic financial institutions through two mechanisms, namely offline and digital. The practice of collecting digital waqf that is not accommodated in the Waqf Law, so that legal changes are needed to compensate for market changes and social encouragement from the community on an investment instrument that does not only consider returns for individuals but the launch of CWLS Retail should have a bigger goal, namely maintaining sharia maqasid.

Keywords

waqf; CWLS; changes in law; islamic financial institutions



I. Introduction

Waqf is a potential source of social funds that is closely related to the welfare of the people in addition to zakat, infaq and alms. Especially because religious teachings are the main motivation for people to waqf. In Indonesia, waqf has been known and implemented by Muslims since Islam entered Indonesia. As a religious institution that is closely related to socio-economic conditions, waqf has contributed a lot to overall development in Indonesia, both in the development of human resources and in the development of social resources.

It is undeniable that most houses of worship, Islamic colleges and other Islamic religious institutions are built on waqf land. However, it is unfortunate that the perception of most of the Muslim community in Indonesia regarding the object of waqf is still limited to land and buildings and although now it has begun to develop on money, shares and other movable objects. Likewise, based on existing data in the community, generally waqf in Indonesia is mostly used for cemeteries, mosques and madrasas, and very few are used productively. This is of course inseparable from the fact that most of the new waqf assets revolve around fixed assets, such as land and buildings.

Indonesian waqf actually has enormous potential for national economic development. However, due to the limited budget from the state, the Indonesian Waqf Board (BWI) could not do much to develop the waqf. When compared to other countries, waqf in Indonesia has more potential than other countries such as Singapore or Malaysia. Imagine, he said, that land in Indonesia is located in 435,000 locations with 4.1 billion square meters and that is five times larger than Singapore.

However, the use of waqf land is still limited to construction projects for worship facilities, such as the construction of a mosque by 44.3% and a prayer room by 29.50%. The use of waqf for social activities or muamalah is only 8.40%. From these data it can be concluded that the utilization of waqf land has not yet reached the level of productive management.

Waqf, which is the implementation of Islamic philanthropy, has undergone several developments. Waqf can not only be done in the form of land and buildings but also in the form of cash and sukuk. The outbreak of this virus has an impact of a nation and Globally (Ningrum *et al*, 2020). The presence of Covid-19 as a pandemic certainly has an economic, social and psychological impact on society (Saleh and Mujahiddin, 2020). Covid 19 pandemic caused all efforts not to be as maximal as expected (Sihombing and Nasib, 2020). During the Covid-19 pandemic, the country's economy and society declined. In finding a solution to the economic difficulties of the community, it is not only necessary for government policies, but collaboration between the government, the community and the Zakat, Infaq, Sodaqoh and Waqf Institutions through optimizing ZISWAF revenues. In October 2020 the government issued Cash Waqf Linked Sukuk Retail (CWLS Retail) to finance social programs and economic empowerment of the ummah.

PT Bank Syariah Indonesia, Tbk as one of the Islamic Financial Institutions appointed by the Ministry of Finance of the Republic of Indonesia in collecting Retail CWLS. The collection of Retail CWLS was carried out by Islamic Banks through collaboration with Nadzir and used two mechanisms, namely *e-channel* and *offline*.

From the operational technical aspects of collecting waqf funds for CWLS Retail, the author found several things that contradicted Law No. 41 of 2004 concerning waqf which was not widely known by Wakif in distributing waqf funds.

Therefore, the author tries to provide an analysis of the background of the issuance of Retail CWLS based on the Theory of Changes in Law as an alternative solution to economic problems in Indonesia and its practice in Islamic banking. So that people understand better and can contribute to helping the state in providing economic guarantees to the community.

II. Review of Literature

Legal change and social change are phenomena that influence each other. Legal changes in a country can affect social changes in society. Vice versa, social changes in society can lead to legal changes in a country.

According to *Ibn Qayyim al Jauziyyah*, the applications and principles of Islamic law in society should be coherent with changes in Islamic law according to the situation and conditions in Muslim society itself. This kind of logic is in accordance with the rules of Islamic law which states: changing a law should be adapted to the situation, condition, time and place and refers to the general purpose of Islamic law, namely eliminating evil and prioritizing the public benefit. The statement shows that benefit is the principal for changing legal fatwas according to changes in time, place, circumstances and customs that apply in a place in accordance with the goals and benefits desired by the makers of the Shari'a when enforcing a law. Therefore, the Shari'a provides different laws for different conditions and activities.

Ibn al-Qayyim al-Jauziyyah on legal changes to the social development of Islamic law in principle refers to the nature of Islamic law which is always oriented to human benefit. Islamic law is present on earth through the Messenger of Allah which aims to realize legal justice, benefit and virtue. Therefore, any provisions or legal rules that do not

meet the principle of justice are considered contrary to Islamic law. *Ibn al-Qayyim al-Jauziyyah* revealed that in understanding the text, one must be able to compare the objectives of the Shari'a and the textuality in the text, so that the understanding of religious texts is not partial but comprehensive.

Another theory of legal change that can support this is the theory put forward by *Roscoe Pound*. According to Pound, law can be used to change society (*law as a tool of social engineering*). Laws made by power can have a direct or indirect effect on societal change. In addition, the law can also be used by the authorities as a development tool.

III. Research Method

The Correlation of Legal Change Theory to the Collection of Retail Cash Waqf Linked Sukuk in Islamic Banks is a normative juridical law research. Research with a normative juridical approach is legal research conducted by examining legal library materials related to Islamic banking, waqf, sustainable finance principles and sharia maqashid theory.

Legal norms that explain how to research and discuss applicable legal regulations. Currently, the emphasis is on legislation regarding waqf and Islamic banking. To see how it is applied, the authors take direct observations with interviews so as to obtain clarity about what is being studied.

IV. Results and Discussion

4.1 The concept of Sukuk Waqf

In general, Sukuk (sharia bonds) are different from conventional bonds. Since there is a convergence of opinion that interest is usury, then these interest-bearing *instruments* are excluded from the list of halal investments. Therefore, an alternative called Islamic bonds was created. Where Sharia bonds are long-term securities based on sharia principles issued by Issuers to Sharia Bond holders which require the Issuer to pay income to Sharia Bond holders in the form of profit sharing/margin/fees, as well as repay bond funds when they fall tempo".

The word sukuk comes from Arabic, which is the plural of Sakk, meaning deed or certificate of ownership. Other sources say, the word later became the origin of the word 'cheque' in European language which means a document that represents a contract (*contract*) or transfer of ownership (*conveyance of rights*), obligations (*obligations*) or obligations that must be fulfilled (*monies done*) based on sharia principles. However, historical facts show that sukuk was a product that was widely used in medieval Islam to transfer financial obligations stemming from trade and other commercial activities.

The word sakk can be easily traced to classical commercial Islamic literature and, historically, was generally used for international trade in Muslim areas in the Middle Ages. This Sakk was used by traders at that time as a document showing financial obligations arising from trading and other commercial activities. However, a number of Western writers in the Middle Ages concluded that the word sakk is a word from the Latin sound "cheque" or; check" which is usually used in contemporary banking.

Meanwhile, waqf-based sukuk are an integration of waqf with sukuk. In fiqh, this waqf-based sukuk is referred to as *al-intifa' sukuk*. Waqf assets are used as the underlying (support) for the issuance of sukuk. Where sukuk are certificates of equal value which are non-distributed proof of ownership of an asset, benefit rights, and services or ownership of a particular project or investment activity.

The issuer of this waqf-based sukuk can be from various market players and even the private sector. Even in terms of *cost*, the issuance of waqf-based sukuk will be more efficient, because the underlying asset in the form of land is provided by the waqf manager (*Nadzir*), both waqf managed by the government and the private sector.

4.2 The concept of Cash Waqf Linked Retail Sukuk (CWLS Retail)

Sukuk waqf is a cash waqf investment scheme through SBSN where the investment results will be used to finance Sukuk Waqf Projects/Social Activities. This Sukuk Waqf scheme was prepared by the waqf authority with the Government in order to support the development of Islamic finance and social investment in Indonesia.

Cash Waqf Linked Retail Sukuk is one of the instruments of cash waqf. The issuance of Sukuk Waqf is a form of the government's commitment to support the development of social investment and the development of productive waqf in Indonesia. Through Sukuk Waqf, the government facilitates cash waqf both temporary and permanent so that they can place their money waqf in safe and productive investments. One of the investment instruments for the development of cash waqf is waqf through the sukuk instrument. For the first time, the government issued Retail CWLS through Retail CWLS series SWR001, the Government facilitated temporary and permanent cash waqf so that they could place their cash waqf in safe and productive investments.

The form of SBSN used as the underlying for Retail CWLS is scripless SBSN *and* can not be traded on the secondary market with SBSN type in the form of Wakalah SBSN. This SBSN is issued using a socially *responsible based investment* for investment in the management of cash waqf funds, so hereinafter referred to as Sukuk Waqf. The Waqf Sukuk which will be issued in Semester II of 2020 are the SWR001 Series Waqf Sukuk. SWR001 with a Wakalah structure is issued based on an agreement between the Investor and the Indonesian SBSN Issuing Company in which the Investor agrees to assign (Wakalah) investment funds to the Indonesian SBSN Issuing Company as a trustee for investment activities that generate profits.

SBSN assets in the context of issuing SWR001 are in the form of projects in the 2020 State Budget for Fiscal Year and BMN in the form of land and/or buildings. Details regarding the type, value, and specifications of SBSN Assets are included in the set transaction document signed by the Government and the Indonesian SBSN Issuing Company. SBSN assets as the basis for SBSN transactions are an undivided unit. SBSN assets are not a guarantee and cannot be claimed either individually or jointly by the SWR001 Series Waqf Sukuk Owners. SBSN assets are non-transferable and cannot be transferred to other parties.

The government's objectives to develop waqf instruments are as follows:

- a. Part of efforts to develop and innovate in the field of Islamic finance and social investment in Indonesia.
- b. Support Nazhir's role in the management of cash waqf to finance various projects and social programs.
- c. Providing safe and profitable sharia investments to Nazhir who manages cash waqf.
- d. Provide convenience for the community in waqf money.
- e. Part of the efforts to diversify investors and SBN, as well as support the development and deepening of the Islamic financial market, including the Islamic social finance sector.
- f. Encouraging diversification of the Islamic banking business, through optimizing the role of Islamic Financial Institutions Recipient of Cash Waqf (LKS PWU).

The results of the benefits of the Sukuk Waqf will be used to finance various Projects / Social Activities of the Sukuk Waqf, which include the construction and development of physical waqf assets such as hospitals, health clinics, madrasas, Islamic boarding schools, and other social infrastructure facilities, implementation of non-physical social programs, such as social programs for orphans and the poor, free health services for the poor, economic empowerment of low-income communities, and other social programs.

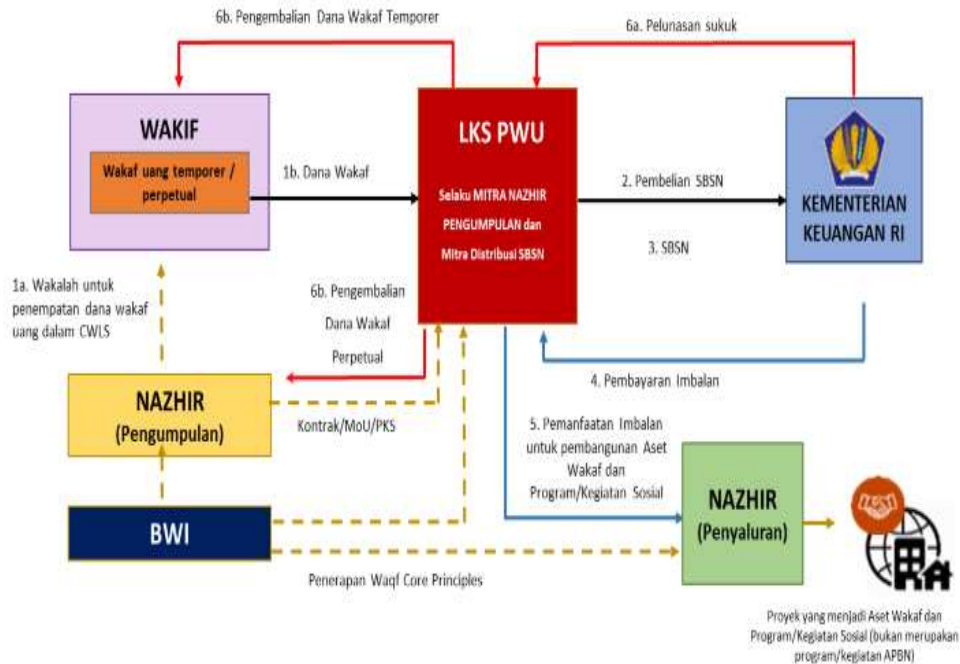


Figure 1. Mechanism of Waqf Sukuk

1. Wakif waqf money (either temporarily or perpetually) through LKS PWU, by signing the Waqf Pledge Deed and filling out the Sukuk Waqf order form. Orders for Sukuk Waqf are made by Wakif on the basis of the power given by Nazhir to invest the amount of money waqf in Sukuk Waqf.
2. Waqf Fund Money will be invested in Sukuk Waqf.
3. The government issues SBSN series of Sukuk Waqf, where the ownership of the Sukuk
4. Waqf will be recorded in the name of the Wakif acting on the power of Nazhir.
5. The government pays the return on investment of Sukuk Waqf to Nazhir, the Waqf will be registered in the name of the Wakif who acts on the power of Nazhir.
6. The government pays the return on the Sukuk Waqf investment to Nazhir, in the form of a coupon/reward that will be paid periodically every month.
7. Nazhir will distribute the return on the Sukuk Waqf investment through various social institutions to finance projects/social activities non-State Budget, including:
 - a) Development and development of physical waqf assets;
 - b) Financing of non-physical programs and social activities.
8. At the maturity date of the Waqf Sukuk, the cash fund for the nominal settlement of the Waqf Sukuk will be paid by the Government to the Wakif (in the case of a temporary waqf). In the case of a perpetual (perpetual) waqf, the cash funds for paying off the nominal Sukuk Waqf are submitted to Nazhir through the Wakif fund account for further management.

4.3 Analysis of Collection of Retail Sukuk Cash Waqf Links (CWLS) through Sharia Banks (Case Study at PT Bank Syariah Indonesia, Tbk)

PT Bank Syariah Indonesia, Tbk acts as a Sharia Financial Institution Recipient of Cash Waqf (LKSPWU) based on the Decree of the Minister of Religion of the Republic of Indonesia No.9 2008 dated August 4, 2008. In collecting Cash Waqf Linked Sukuk, PT Bank Syariah Indonesia, Tbk cooperated with Nadzir. Nadzir who cooperates with the Bank is Nadzir in the form of an organization or legal entity with the following requirements: (1) In the form of a legal entity or organization, (2) Submitting a Certificate of Registration of Nadzir registered with the Indonesian Waqf Board, (3) Engaging in the social sector, Education, community, and/or Islamic religion, (4) Has a work program in the development of waqf, (5) Meets the Risk Acceptance Criteria (RAC). Nadzir requirements set by the Bank are in accordance with Law Number 41 of 2004 Article 9 but there are special requirements set by the Bank, namely the fulfillment of the Risk Acceptance Criteria (RAC). The application of RAC by the Bank is a means of applying the precautionary principle in conducting Cooperation with a third party, namely Nadzir.

The business processes carried out by the Bank and Nadzir are as follows: the Bank and Nadzir enter into a Cooperation agreement (PKS) related to the collection of waqf funds, the Bank and/or Nadzir conducts fundraising in accordance with the agreed PKS, Wakif can channel CWLS through the Bank's digital platform, the waqf fund will be used by Nadzir in accordance with the type of waqf that has been regulated in the Cooperation agreement between the Bank and Nadzir, the Bank receives reports on the progress of the waqf project and Nadzir periodically/periodically, Nadzir conveys the progress of the waqf project to the wakif.

Retail CWLS is implemented through Islamic financial institutions through two mechanisms, namely offline and digital. The offline mechanism can be used for collecting waqf through the Branch Office. If the wakif is unable to attend, the wakif can appoint a representative and his/her proxy, Customer service provides an explanation to the wakif by conveying the features of the waqf service, the wakif signs the waqf statement, customer service submits the waqf pledge deed and the original waqf certificate to the wakif.

In collecting CWLS through e-channel there is a minimum waqf limit of IDR 10,000.00, the wakif makes a waqf pledge by agreeing to the waqf terms and conditions on the Bank's e-channel, waqf certificates are only given if the wakif donates a minimum amount of IDR 1,000,000.00, Waqf pledges and waqf certificates are sent via email without the need for a bank official's signature, the cost of the transaction becomes the burden of the wakif.

There is a fundamental difference regarding the collection of CWLS offline and online, namely regarding the issuance of waqf certificates for the amount of waqf that is set at a certain minimum nominal. This is contrary to Law No. 41 of 2004 Article 29 number (3) which explains the minimum number of waqfs that get waqf certificates considering "Waqf certificates are given by the Bank to Nadzir and Waqf as evidence of the surrender of waqf assets".

If it is associated with the theory of legal change, modifications to the implementation of waqf fund collection can be analyzed as follows: The 1945 Amendment to the Constitution explains "Everyone has the right to social security" which allows his full development as a dignified human being. Whereas in article 34 it is stated "That the state develops a social security system for all people and empowers the weak and incapable in accordance with human dignity". Social security is carried out with a waqf system as a very possible and more self-supporting alternative.

Based on the theory of legal change put forward by *Ibn al Qayyīn Al Jauziyyah* who asserted that the law which was influenced by the five factors of time, place, condition and habit was a law adapted to the demands of benefit.

Arrangements for waqf In addition to being contained in the letters of the Qur'an and Al-Hadith, during the Dutch colonial era, waqf was also known in Indonesia, this is evidenced by the issuance of the Governor's Secretary Circular No. 435 contained in the Bible No. 6195/1905 Regarding Toezicht op Den Bow Van Muhammedeensche Bedelhuizen, which applies throughout Java and Madura, except for Surakarta and Yogyakarta, which explains in this circular that establishing waqf land must obtain the approval of the Regent. This circular has not yet become effective, but has been maintained for 25 years.

Entering the proclamation of independence of the Republic of Indonesia, the regulations regarding waqf as described above are still in effect, which is based on Article II of the Transitional Rules of the 1945 Constitution. In addition to the Dutch colonial government regulations regarding waqf which were still in effect, in the era of In this proclamation of independence, the Indonesian government also established the Ministry of Religion (Jawatan Religious Affairs), so that with the establishment of the Ministry of Religion all issues regarding waqf became the authority of the Ministry of Religion as regulated in PP No. 33 of 1949 in conjunction with PP No. 8 of 1950, in subsequent developments the Ministry of Religion Religion issued a Circular Letter of the Office of Religious Affairs No. 5 D of 1956, where this circular instructs that matters regarding waqf be submitted to the Office of Religious Affairs (KUA), where in this circular letter the KUA is recommended to assist people who will endow their assets complete with the procedures for waqf.

Furthermore, in 1960, the Indonesian government issued Law Number 5 of 1960 concerning Agrarian Principles, where with the birth of this Law brought fundamental changes to the land system in Indonesia, this also had an impact on the regulation of land waqf in Indonesia, where as mandated by Article 49 Paragraph 3 of the LoGA which states that "owned land waqf is protected and regulated in a government regulation", so based on the mandate of Article 49 Paragraph 3 of the LoGA, the government follows up by issuing PP. 28 of 1977 concerning Land Waqf, where with the birth of PP No. 28 of 1977, all regulations issued by the Dutch colonial government which contradicted PP No. 28 of 1977 was declared no longer valid, but PP No. 28 of 1977 only regulates land waqf and does not regulate waqf other than land.

Along with the expansion of the competence of the Religious Courts, waqf affairs are also regulated in Presidential Instruction No. 1 of 1991 concerning the Compilation of Islamic Law, dated July 22, 1991. Meanwhile, to implement this Presidential Instruction, the Minister of Religion has issued Supreme Court Decree no. 154 of 1991, which states that "all agencies of the Ministry of Religion and other relevant government agencies to disseminate the Compilation of Islamic Law". The birth of the Compilation of Islamic Law is closely related to the enactment of Law no. 7 of 1989 concerning the Religious Courts which gave wider competence to the Religious Courts and made its position the same as the previous competency courts which were only in the field of marriage, which was later expanded in the fields of inheritance, endowments, grants, and wills.

Further developments, because the government still feels that only with the existing waqf regulations, these regulations are still not complete enough and not sufficient to be used as a legal umbrella regarding waqf in Indonesia, therefore on the basis of that on 27 October 2004 the Indonesian government issued Law -Law No. 41 of 2004 concerning

Waqf, with the issuance of this Waqf Law, all regulations regarding waqf still apply as long as they do not conflict and/or have not been replaced with new regulations.

In Indonesia, the practice of sukuk and waqf is regulated separately or independently, there are no specific rules governing the integration of sukuk with waqf or waqf-based sukuk.

From the explanation that changes in the regulations regarding Waqf continue to be refined with a more complex legal basis, amendments to the Waqf Law cannot be separated from public demands regarding the benefits of zakat as social security and providing benefits for the community. This is in line with the theory of legal change put forward by Ibn Qayyim al Jauziyyah that in understanding the texts one must be able to compare the objectives of the Shari'a and the textuality in the texts, so that the understanding of religious texts is not partial but comprehensive. The thought of Ibn al Qayyim al Jauziyyah on legal changes to the social development of Islamic law shows that Islamic law is flexible and adaptive in responding to any changes and developments.

The Islamic community in Indonesia has long known and practiced waqf whose implementation refers to fiqh literature, especially the yellow book. The procedure for waqf is sufficient with the pledge of wakif (the person who is waqf) that he/she waqf his property for the benefit of religion or society, without the need for a qabul (pledge of acceptance) of acceptance from the party given the waqf. According to the provisions of classical fiqh, such a thing is legal.

To optimize the function of waqf, with social and economic biorientation, the state and the public (private) need to participate. State participation, especially the provision of facilities (convenience) and waqf arrangements that provide encouragement and motivation to optimize the goals of waqf. Until the 90s in Indonesia there were no rules regarding the use of waqf for economic purposes.

In Indonesia, the practice of sukuk and waqf is regulated separately or independently, there are no specific rules governing the integration of sukuk with waqf or waqf-based sukuk. The legal umbrella must be immediately arranged by the legislature and regulator so that the public in its implementation does not hesitate and worry. Concerns about legal certainty over the Sukuk Waqf instrument, for example CWLS Retail, which was recently launched by the government, resulted in the goal of the breakthrough for productive waqf through cash waqf not being maximally absorbed by the community.

Legal changes are needed to compensate for market changes and social encouragement from the community for an investment instrument that not only considers returns for individuals but the launch of CWLS Retail should have a bigger goal, namely maintaining sharia maqasid.

Glancing at waqf means looking for loopholes to empower the community's economic assets. This is due to the availability of economic facilities contained in the waqf itself, namely the material financial sides as basic needs that can be obtained through the management and development of waqf assets. From that, waqf assets must be managed productively in order to generate opportunities for the opening of profitable strategic sectors, one of which is integrating waqf with sukuk. Thus, waqf assets will be productive and produce something, such as opening new jobs, managing public services that ease the economic burden of the community, and providing facilities for the development of small and medium-sized economic enterprises.

For this reason, the implementation and development of the waqf-based sukuk model in Indonesia is very suitable to be applied and is a must so that waqf assets can be productive and Islamic finance, in this case sukuk, has more variations. One of them is by developing waqf assets that are integrated with sukuk. Waqf assets need to be empowered

not only to be idle assets that do not have a positive influence on the economic benefits of the people in Indonesia. Currently there are very few waqf assets in the country that can be productive. This is due to the lack of sources of investment funds needed to empower these assets. From this, the empowerment of waqf property becomes a must, which is in accordance with the principles of Islamic sharia, namely avoiding usury, gharar, and maysir.

V. Conclusion

From the explanation of CWLS Retail, it can be concluded that the practice of waqf in Indonesia has developed with the collaboration of several financial investment instruments. All waqfs are practiced conventionally and simply according to the provisions of fiqh which began in the Dutch colonial era and continued until the independence period. After independence, waqf arrangements continued to undergo changes, improvements, and adjustments. Sufficient arrangements since the issuance of PP RI No. 28 of 1977 concerning Land Ownership Waqf, expanded again by Presidential Instruction No. 1 of 1991 concerning the Compilation of Islamic Law. The climax is through Law No. RI. 41 of 2004 concerning Waqf and PP No. 42 of 2006 concerning the Implementation of the Republic of Indonesia Law No. 41 of 2004.

There are many new things as a form of contextualization of waqf law. The new provisions are in accordance with the development and practice of waqf in a society that is growing very rapidly. The contextuality of Islamic law in the field of waqf can be a good example in the context of exploring and developing other fields of Islamic law so that it is always relevant. Changes in the concept of waqf are influenced by several factors, including situation, condition, time. The goal of Islam which prioritizes the benefit of harmony is stated by Ibn al-Qayyim that legal changes can be made as a joint endeavor, by reforming the applicable law, then directed maximally to the formation of a new, better law.

The sukuk-based waqf mechanism for the empowerment of unproductive land in Indonesia does not yet have a regulation based on the form of contract that will be used. Analysis of the mechanism and legal position of this sukuk-based waqf is that waqf and sukuk stand from 2 different contract objectives, namely the tabarru and tijaroh contracts, which are combined in order to present a greater benefit value.

The legal position of this sukuk-based waqf if it is built on a sukuk ijarah contract which is almost similar to bai al wafa according to the majority of scholars is forbidden, except for the Hanafi school which allows it. This is in line with the DSN MUI fatwa No. 130/DSN-MUI/X/2019 concerning Waqf Sukuk and Articles 112-115 KHES concerning bai al-wafa. Apart from differences of opinion in the context of fiqh, it is necessary to pay attention to the clear regulatory aspects that underlie this sukuk-based waqf, pay attention to tidying up the administration of waqf assets, both certificates for land and waqf buildings as well as waqf certificates and it is necessary to pay attention to aspects of sharia legality so that the main purpose of waqf is for the benefit people can still be achieved without reducing the value or form of the waqf asset.

Based on the results of this study, the authors propose the following suggestions; 1) Islamic scholars and jurists should continue to study and develop Islamic law so that it is in accordance with the development, culture and culture of the community in which Islamic law will apply. 2) People who will endow their assets should know in advance about the rules of waqf, so that the waqf is carried out in accordance with the provisions to anticipate disputes in the future. 3) Waqf managers (nadzir) in order to be able to manage and

develop waqf according to its designation and can have a significant positive impact on the welfare of the community.

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