

# **HIGHER EDUCATION FORUM (HEF) 2018**

## **Islamic Economies @ 4IR: Waqf Revival**

### **“Collaborative Economy: Waqf as the New Driver”**

**Panelist Speaker : Tan Sri Siti Sadiyah Sheikh Bakir**  
**Chairman AWQAF Holding Bhd**  
**22<sup>nd</sup> February 2018**

# Waqf - Definition

- Waqf refers to an Islamic endowment, a voluntary and irrevocable dedication of one's wealth or a portion of it, in the form of cash or properties for sharia compliant projects. Waqf can never be donated as a gift, inherited, or sold.

# Waqf (Conventional)

- Waqf in its conventional form allows for the development of various charitable projects and activities like :-
  - Universities & Colleges (madrasah)
  - Mosques, hospitals and clinics
  - Muslim Graveyards and rest areas
  - Other philanthropic activities



**WAQF UNIVERSITY  
(AL-AZHAR, EGYPT)**



**CONVENTIONAL WAQF  
(MOSQUE)**

# Waqf as a Charitable Act

Waqf as a charitable act is least practiced in Malaysia

Hence, Waqf Revival is timely due to:

1. Ability to create wealth or income generation via Waqf,
2. As an alternative for economic development other than those undertaken by government and private sector,
3. Empower, engage and enrich people towards economic development and sustainability - from the people, to the people, by the people.

# Waqf as a New Driver

- There are many models of waqf development and management – cash, assets and properties
- Timely to promote and brand waqf as a mean towards better economy and society through as many collaboration as possible
- Malaysia has introduced Corporate Waqf model in moving forward waqf

# CORPORATE WAQF

- Corporate waqf is an institutional reform for sustainable giving/caring + upholding 'Adl & justice

## ADVANTAGES OF CORPORATE WAQF

- Harnessing biz dynamic
- Bridge divides, uphold 'Adl
- Institutional reform for long term economic empowerment of the ummah.

# Two Malaysian Corporate Waqf Models



# وقف النور كوريشين برحد

## WAQAF AN-NUR CORPORATION BERHAD

- Incorporated in 1998 by Johor Corporation (GLC driven) under the leadership of the late Tan Sri Muhammad Ali Hashim as President and CEO.
- A pioneer corporate waqf in the country and became the corporate waqf landmarks.
- **Waqf Assets Value at endowment date : RM250 million**
- **Total asset value as at Dec 2016 : RM 800 million**
- Activities include operate WAQF Clinics throughout Malaysia – todate more than 22 clinics and more than 1 million patients

# Findings of University of Oxford Study on Johor Corporation's Corporate Waqf Strategy – Dec 2010

***“...business jihad and corporate waqf***

***would have been likely achievable through using conventional development economic tools and known policy-driven methods.”***



# Awqaf Holdings Bhd

*"A COMMUNITY-DRIVEN CORPORATE WAQF INSTITUTION UPHOLDING JUSTICE AND BRIDGING ECONOMIC DIVIDES."*

®

*Founded by the late Tan Sri Muhammad Ali Hashim as President of DPIM in 2012*

AWQAF HOLDINGS BERHAD



# FEATURES OF CORPORATE WAQF



AWQAF HOLDINGS BHD:  
GOING BEYOND PHILANTHROPY!  
DEVELOPING 'HOUSE ' CORPORATE WAQAF  
IN PERSADA AWQAF PUTRAJAYA

Six protective  
and strengthening  
pillars

Main pillar 2  
waqf pillar  
672 membership

2 main pillars

Main pillars 1  
Corporate pillar  
RM4.7million waqf fund

Co. Limited  
by  
guarantee

**SYARIAH PRINCIPLES**  
*for eternity*

3. SYURAH

COUNCIL (AGM)  
4. AWQAF BOARD  
OF DIRECTOR

5. INTELLECTUAL  
PROPERTY®

**MUTAWALLI**

Aqad: 2 Dis 2014  
Tauliah: 25 Jun 2015

6. CEO + TEAM  
MANAGEMENT

7. MULTIPLY  
CHARITY

8. NO POWER  
CONTROL

**CHOOSE STRATEGIC BUSINESS**

# GOVERNANCE FOR AWQAF HOLDING

## CORPORATE WAQF PRINCIPLES (RUKUN WAQF):

- To uphold asset waqf held only by community
- To enhance and multiply assets Waqf for benefit of ummah
- Strengthen Integrity in Awqaf Holdings Berhad
- Prevent misused of power in Awqaf Holdings Berhad
- Check and Balance System
- Entrepreneurial, Transparent and Accountable



**AWQAF HOLDINGS BERHAD**  
( 1015578-X )

***“A COMMUNITY-DRIVEN CORPORATE WAQAF® INSTITUTION UPHOLDING JUSTICE AND BRIDGING ECONOMIC DIVIDES.”***



## VISION

***“Bridging economic divides through Corporate Waqf’s unique capability and harnessing waqf’s sustainability to transform the economy and build a just and prosperous society.”***



## MISSION

***“To build businesses, accumulate assets, add value and entrepreneurially create new economic opportunities to prosper society through waqf-funded business and corporate methods.***

***To become a community-driven Corporate Waqf® institution to realize the objectives of Business Jihad and economically empower the Muslim community to prosper everyone.”***

**AWQAF HOLDINGS BERHAD**



# BOARD OF DIRECTORS



1. Tan Sri Datin Paduka Siti Sa'diah Sheikh Bakir

2. Tuan Hj. Mohammad Sahar Mat Din

3. Prof. Dr. Engku Rabiah Adawiah Engku Ali

4. Encik Abdul Mohsein Mohd Shariff

5. Puan Azizah Abdul Rahman

6. Datuk Dr. Mohd Ghazali Md Noor

7. Puan Norhana Ramli

- *Acting Chairman & ZuriatCARE Chairman*
- *Deputy Chairman*
- *Syariah Expert & Independent Director*
- *Independent Director*
- *Independent Director*
- *Independent Director*
- *Company Secretary*

# CORPORATE WAQF<sup>®</sup> MODEL



**PROPOSAL COMMERCIAL COMPLEX DEVELOPMENT  
RETAIL UNIT, OFFICE AND HOTEL**

**PERSADA AWQAF PUTRAJAYA**

**PRESINT 3, PUTRAJAYA**



**AWQAF HOLDINGS BERHAD**



# ***PERSADA AWQAF PUTRAJAYA***

## ***PRESINT 3, PUTRAJAYA***

### **PROPERTY INFORMATION**

Registered Owner	:	Putrajaya Holdings Sdn Bhd
Registration No.	:	H.S.(D) 7982
State	:	Wilayah Persekutuan Putrajaya
Town	:	Presint 3, Putrajaya
Area	:	9070 square meters (2.241 acre)
Category Type	:	Freehold Land, Building
Land Status	:	Business

# LOCATION – Presint 3, Putrajaya



# PERSADA AWQAF PUTRAJAYA

## PRESINT 3, PUTRAJAYA

**Block A**  
**MYR 253,376,000.00**  
**179,107.00 sq. ft.**

**Block B**  
**MYR 55,473,100.00**  
**39,808.00 sq. ft.**

**Block D**  
**MYR 74,000,000.00**  
**73,073.00 sq. ft.**

**Block C**  
**MYR 49,833,600.00**  
**42,596.00 sq. ft.**

**(SOLD)**

- ❖ Block A – Hotel, Office and Retail Shop  
10 Floors
- ❖ Block B - Office and Retail Shop  
8 Floors
- ❖ Block C - Office  
10 Floors
- ❖ Block D - Office Retail Shop  
8 Floors
- ❖ Parking - 2 Floors
- ❖ Total GDV RM432 million

# Challenges of Corporate Waqf

1. Lack of understanding of Corporate Waqf especially community driven waqf in terms of defining waqf property.
2. Requirement of blending or integrating Shariah Corporate Waqf with Corporate Law is low.
3. Lack of awareness for contribution of waqf vs other donations with tax advantage.
4. The drive to encourage membership and contribution is high vs outcomes.
5. Require longer time to build up the fund for development.

# Future of Corporate Waqf

1. Continuous understanding that properties of waqf are assets of waqf companies & remain in the company and is categorized as Assets in the Balance Sheet of the company.
2. Collaboration between AWQAF Holdings and other foundations that are very committed to waqf like IQRA', allows the merger as one entity to work for the same course and objective and minimize duplication of resources.
3. Optimistic that more ummah will come forward to appreciate corporate waqf and contribute towards Ummatic economy.
4. Wealth creation via waqf lessen dependence on government and private sectors for economic development.
5. Professional and skills manager to run the waqf organization will allow sustainability of managing the waqf fund.
6. Allocation of surplus for re-development and fissabilillah (CSR) will ensure the welfare of community be taken care of.
7. Target high to achieve more waqf fund through the mechanism of awareness, interest, contribute and loyalty.

# Recommendations

1. Encourage the formation of waqf especially corporate waqf for income generation at all higher institutions especially the universities
2. University Waqf that are formed should not remain as conventional Waqf as it will limit its activities
3. To consider Corporate Waqf route as most University already has its Holding Companies which are business driven.
4. Develop the Corporate Waqf by transferring the shares of its Holding Companies into waqf fund and grow the business.
5. Corporate Waqf entity which is irrevocable and cannot be sold will remain as an income earner for the Universities and can partly be distributed to its CSR activities under Fisabilillah concept.
6. The Waqf establishment to be run as a corporate company but with syariah compliant.
7. University waqf can also collaborate with each other maximizing their strength and resources, reduce costs and achieve greater results

**THANK  
YOU**